



*Dedicated to  
Satisfying our Community's  
Water Needs*

**AGENDA  
MESA WATER DISTRICT  
BOARD OF DIRECTORS  
Monday, February 24, 2020  
1965 Placentia Avenue, Costa Mesa, CA 92627  
3:30 p.m. Special Board Meeting**

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**FINANCE COMMITTEE MEETING**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENTS**

**Items Not on the Agenda:** Members of the public are invited to address the Board on matters which are not on the Agenda. Each speaker is limited to three minutes. The Board will set aside 30 minutes for public comments.

**Items on the Agenda:** Members of the public may comment on agenda items before action is taken, or after the Board has discussed the item. Each speaker is limited to three minutes. The Board will set aside 60 minutes for public comments.

**CONSENT CALENDAR ITEMS:**

*Approve all matters under the Consent Calendar by one motion unless a Board member, staff, or a member of the public requests a separate action.*

1. Accounts Paid Listing
2. Monthly Financial Reports
3. Major Staff Projects
4. Committee Policy & Resolution Review
5. Fiscal Year 2020 Second Quarter Financial Update

**ACTION ITEMS:**

*Items recommended for approval at this meeting may be agendaized for approval at a future Board meeting.*

6. Designated Funds Policy

**PRESENTATION AND DISCUSSION ITEMS:**

None

**REPORTS:**

7. Report of the General Manager
8. Directors' Reports and Comments



## **INFORMATION ITEMS:**

None

*In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 631-1206. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water) to make reasonable arrangements to accommodate your requests.*

*Members of the public desiring to make verbal comments utilizing a translator to present their comments into English shall be provided reasonable time accommodations that are consistent with California law.*

*Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at [www.MesaWater.org](http://www.MesaWater.org). If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.*

## **ADJOURNMENT**

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor	Check Number	Invoice Number	Description	Check Count	Amount
24 HOUR FITNESS USA, INC.					
	000032075	01162020-100882	2020 CORP. SPONSORSHIP FEE		1,000.00
		1/30/2020		1	1,000.00
			<b>TOTAL</b>	<b>1</b>	<b>1,000.00</b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>CAPITAL</b>				
CIVIL SOURCE				
000032104	144804	M19-003 DESIGN SERVICES		1,635.00
	1/30/2020		1	<u>1,635.00</u>
DITCH WITCH SOUTHERN CALIFORNIA				
000031880	661678	DITCH WITCH PARTS		494.12
	1/9/2020		1	<u>494.12</u>
EJ MEYER COMPANY, INC				
000031928	6REV2	M18-118 OC PIPELINE REHAB		1,000,920.00
000032014	7	M18-118 OC PIPELINE REHAB		729,246.13
	1/23/2020		2	<u>1,730,166.13</u>
MICHAEL BAKER INTERNATIONAL				
000031863	1066591	PP 72 GIS SUPPORT SERVICES		11,444.25
000031927	162955	E400-0005 HYDRAULIC MODELING		268.00
000032012	1057921	E400-0005 HYDRAULIC MODELING		138.00
	1/17/2020		3	<u>11,850.25</u>
TETRA TECH, INC				
000031978	51519439	M18-100 DESIGN SERVICES		12,810.00
000032119	51532616	M18-100 DESIGN SERVICES		8,056.00
	1/30/2020		2	<u>20,866.00</u>
WA RASIC CONSTRUCTION CO.				
000032048	342201	M20-003 ONCALL MAIN LINE BREAK		8,958.18
	1/23/2020		1	<u>8,958.18</u>
<b>TOTAL CAPITAL</b>			<b>10</b>	<b><u>1,773,969.68</u></b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>DEPARTMENT EXPENSE</b>				
ACWA				
000031940	092619	2020 ANNUAL AGENCY DUES		25,780.91
000032076	INV007935	SPONSORSHIP		10,000.00
	1/30/2020		2	35,780.91
ACWA JOINT POWERS INSURANCE AUTHORITY				
000032017	FEB2020EAP	FEBRUARY 2020 EAP		126.90
000032077	123119	OCT - DEC 19 WORKERCOMP		24,875.23
	1/30/2020		2	25,002.13
APPLE ONE EMPLOYMENT				
000031992	01-5452675	TEMP LABOR, HR, WE 12/07		718.32
000031992	01-5460037	TEMP LABOR, HR, WE 12/14		925.51
000031992	01-5465621	TEMP LABOR, HR, WE 12/21		788.40
000031992	01-5475808	TEMP LABOR, HR, WE 12/28		630.72
000032019	01-5482317	TEMP LABOR, HR, WE 01/04		586.93
000032079	01-5488960	TEMP LABOR, HR, WE 01/11		963.60
	1/30/2020		3	4,613.48
AMERICAN SOCIETY OF CIVIL ENGINEERS				
000031993	9032019	MARK P. 2020 ASCE MEMBERSHIP		300.00
	1/17/2020		1	300.00
CALPERS BENEFIT PAYMENTS				
0151881	15898591	JANUARY 20 HEALTH		45,848.33
0151882	15898605	JANUARY 20 PA HEALTH		6,408.26
0151883	122019	PPE 12/20/19		30,547.22
0152431	10320	PPE 1/3/20		33,069.53
	1/23/2020		4	115,873.34
COLONIAL LIFE & ACCIDENT INS				
000031919	8892333-0111467	INSURANCE - PPE 12/20/19		208.75
000031947	8892333-0125498	INSURANCE - PPE 01/03/20		208.75
	1/17/2020		2	417.50
COSTA MESA FIRE AND RESCUE				
000032105	12095	FLAMMABLE LIQUIDS PERMIT W9		140.00

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
000032105	12088	FLAMMABLE LIQ.& MOTOR VEH. DIS		140.00
000032105	12091	MWRF FIRE PERMIT FLAM. LIQ.		140.00
000032105	12090	RES. # 2 FLAM. LIQ. PERMIT		140.00
000032105	12094	FLAMMABLE LIQUID PERMIT WELL 7		140.00
000032105	12092	FLAMMABLE LIQUID PERMIT WELL 1		140.00
	1/30/2020		1	<u>840.00</u>
CALIFORNIA WATER EFFICIENCY PARTNERSHIP				
000031862	MD-2020-160	FY20 MEMBERSHIP DUES		2,053.40
000031905	PUB658	PLUMBING HANDBOOKS		1,235.52
	1/9/2020		2	<u>3,288.92</u>
DATCO				
000031878	150972	DOT PROGRAM- CLASS A DRIVERS		382.50
	1/9/2020		1	<u>382.50</u>
FIRST BANKCARD				
0152003	121219	DECEMBER CHARGES		24,424.10
	1/13/2020		1	<u>24,424.10</u>
G&W TOWING				
000032030	448846	TOWING - UNIT #53		67.00
	1/23/2020		1	<u>67.00</u>
GOSS ENGINEERING INC				
000031950	7538	M20-102 TANKLESS WATER HEATER		9,000.00
	1/17/2020		1	<u>9,000.00</u>
GUARDIAN				
000031855	00430941JAN20	JAN 20 DENTAL INSURANCE		5,416.19
000032089	00430941FEB20	FEB 20 DENTAL INSURANCE		5,569.40
	1/30/2020		2	<u>10,985.59</u>
HOOVER PRINTING				
000031906	94151	DESIGN WORK		120.00
000031906	94373	PRINTING - NEWSLETTER		2,386.66
000031906	94258	PRINTING - WATER BILL INSERT		1,131.38
	1/9/2020		1	<u>3,638.04</u>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>ICMA-RC RETIREMENT</b>				
0151878	13201	PPE 1/3/20		4,504.26
0151879	10320	PPE 1/3/20		1,028.96
0152433	011720	PPE 1/17/20		4,554.26
0152434	0117201	PPE 1/17/20		1,028.96
	1/23/2020		4	<u>11,116.44</u>
<b>LEDGENT</b>				
000031910	13830065	TEMP LABOR, FINANCE, WE 12/15		1,661.05
000032011	13826844	TEMP LABOR, FINANCE, WE 12/08		1,871.60
000032011	13834043	TEMP LABOR, FINANCE, WE 12/22		1,871.60
000032011	13836148	TEMP LABOR, FINANCE, WE 12/29		374.32
000032011	13838923	TEMP LABOR, FINANCE, WE 01/05		1,122.96
000032112	13842145	TEMP LABOR, FINANCE, WE 01/12		1,871.60
000032112	13844127	TEMP LABOR, FINANCE, WE 01/19		1,824.81
	1/30/2020		3	<u>10,597.94</u>
<b>NATIONWIDE RETIREMENT SOLUTIONS</b>				
0151877	10320	PPE 1/3/20		13,989.83
0152432	11720	PPE 1/17/20		6,004.93
	1/23/2020		2	<u>19,994.76</u>
<b>ORANGE COUNTY EMPLOYEES ASSN</b>				
000031857	OCEA PPE 122019	MEMBERSHIP DUES - PPE 12/20		265.68
000031923	OCEA PPE 010320	MEMBERSHIP DUES - PPE 01/03		265.68
000032035	OCEA PPE 011720	MEMBERSHIP DUES - PPE 01/17		265.68
	1/23/2020		3	<u>797.04</u>
<b>SCPMA-HR</b>				
000031974	04305	FY20 MEMBERSHIP RENEWAL		50.00
	1/17/2020		1	<u>50.00</u>
<b>SHARON D BRIMER</b>				
000031976	DEC2019	BOARD MINUTES - DEC 2019		112.50
000032096	JAN2020	BOARD MINUTES - JAN 2020		180.00
	1/30/2020		2	<u>292.50</u>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>SWMOA</b>				
000031858	2020-6204-W-724	SWMOA 2020 DISTRICT MEMBERSHIP		360.00
	1/3/2020		1	<u>360.00</u>
<b>TASC</b>				
000032097	IN1691132	FSA ADMIN FEES - DECEMBER 2019		161.19
	1/30/2020		1	<u>161.19</u>
<b>ULTIMATE STAFFING SERVICES</b>				
000031916	13828860	TEMP LABOR, HR, WE 12/15		2,726.80
000031916	13828861	TEMP LABOR, CS, WE 12/15		1,080.10
000031916	13828859	TEMP LABOR, CS, WE 12/15		1,319.20
000031916	13832062	TEMP LABOR, CS, WE 12/22		1,319.20
000031916	13832060	TEMP LABOR, CS, WE 12/22		1,319.20
000032013	13835088	TEMP LABOR, CS, WE 12/28		527.68
000032013	13835089	TEMP LABOR, HR, WE 12/29		1,636.08
000032013	13835090	TEMP LABOR, CS, WE 12/29		816.26
000032013	13837841	TEMP LABOR, CS, WE 01/05		865.73
000032069	13832061	TEMP LABOR, HR, WE 12/22		2,726.80
000032069	13837840	TEMP LABOR, HR, WE 01/05		1,636.08
000032121	13840998	TEMP LABOR, CS, WE 01/12		1,319.20
000032121	13840997	TEMP LABOR, HR, WE 01/12		2,726.80
000032121	13844129	TEMP LABOR, CS, WE 01/19		1,220.26
000032121	13844128	TEMP LABOR, HR, WE 01/19		2,726.80
	1/30/2020		4	<u>23,966.19</u>
<b>URBAN WATER INSTITUTE</b>				
000032098	10252019	SPRING CONFERENCE FOR STACY T.		525.00
	1/30/2020		1	<u>525.00</u>
<b>VISTA DEL VERDE LANDSCAPE</b>				
000031985	33043	IRRIGATION SYSTEM REPAIRS		271.96
000032100	33275	LANDSCAPE REPAIR		900.00
	1/30/2020		2	<u>1,171.96</u>



# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
VISION SERVICE PLAN - (CA)				
000031859	808267752	JAN 2020 VISION INSURANCE		1,203.75
000032047	808493202	FEB 2020 VISION INSURANCE		1,205.83
	1/23/2020		2	<u>2,409.58</u>
<b>TOTAL DEPARTMENT EXPENSE</b>			<b>50</b>	<b>306,056.11</b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>DIRECTOR CHECKS</b>				
FRED BOCKMILLER				
0151736	EXP122019	FAX/INTERNET REIMBURSEMENT		132.96
0151737	EXP122019-1	MILEAGE REIMBURSEMENT		24.77
	1/7/2020		2	157.73
JAMES ATKINSON				
0151715	EXP121619	EXPENSE REIMBURSEMENT		52.92
0151739	EXP122019	MILEAGE REIMBURSEMENT		29.00
	1/7/2020		2	81.92
JAMES FISLER				
0151718	EXP121919	EXPENSE REIMBURSEMENTS		360.05
0151735	EXP122019	MILEAGE REIMBURSEMENT		45.24
	1/7/2020		2	405.29
MARICE DEPASQUALE				
0151716	EXP121619	CONFERENCE REIMBURSEMENT		279.70
0151717	EXP120619	EXPENSE REIMBURSEMENT		31.64
0151738	EXP122019	MILEAGE REIMBURSEMENT		20.30
	1/7/2020		3	331.64
SHAWN DEWANE				
0151740	EXP122019	EXPENSE REIMBURSEMENT		44.10
0151741	EXP122019-1	MILEAGE REIMBURSEMENT		9.40
	1/7/2020		2	53.50
<b>TOTAL DIRECTOR CHECKS</b>			<b>11</b>	<b>1,030.08</b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>EMPLOYEE CHECKS</b>				
JAMAR OGAN				
0151742	EXP121919	CERTIFICATE REIMBURSEMENT		50.00
	1/7/2020		1	50.00
JUSTIN FINCH				
0151719	EXP121119	EXPENSE REIMBURSEMENT		163.67
	1/2/2020		1	163.67
MARWAN KHALIFA				
0151720	EXP120519	CONFERENCE REIMBURSEMENT		1,858.78
	1/2/2020		1	1,858.78
			<b>3</b>	<b>2,072.45</b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>GENERAL AND ADMINISTRATIVE</b>				
JAZZAR CONSTRUCTION GROUP, INC.				
000031867	CHEQ00099007378	20069700 Cheque Deposits 20069		160.08
	1/9/2020		1	<u>160.08</u>
SHARON HARRINGTON				
000032016	CHEQ00099007397	02106700 Overpayment		103.07
	1/23/2020		1	<u>103.07</u>
GLEN VAUTHRIN				
000032071	CHEQ00099007409	08211900 Overpayment		168.03
	1/30/2020		1	<u>168.03</u>
REBERTA BURMOOD				
000032053	CHEQ00099007402	07402800 Cheque Deposits 07402		67.32
	1/23/2020		1	<u>67.32</u>
BRISTOL BAY APARTMENTS				
000032072	CHEQ00099007406	20076300 Overpayment		570.00
	1/30/2020		1	<u>570.00</u>
19TH STREET TRUST				
000032054	CHEQ00099007403	05509002 Cheque Deposits 05509		44.08
	1/23/2020		1	<u>44.08</u>
MICHEL A MONTMORENCY				
000031868	CHEQ00099007375	00332600 Cheque Deposits 00332		156.19
	1/9/2020		1	<u>156.19</u>
THEODORE A BUTCH				
000032073	CHEQ00099007408	00308106 Cheque Deposits 00308		63.36
	1/30/2020		1	<u>63.36</u>
STEVE CHRISTIANO				
000032074	CHEQ00099007407	02707600 Cheque Deposits 02707		46.13
	1/30/2020		1	<u>46.13</u>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
BRADLEY R BEHRENDT				
000031931	CHEQ00099007386	07404100 Cheque Deposits 07404		141.38
1/17/2020			1	<u>141.38</u>
HEATHER J PULLIS				
000031932	CHEQ00099007387	01306000 Cheque Deposits 01306		126.73
1/17/2020			1	<u>126.73</u>
BRIAN CORTNEY				
000031850	CHEQ00099007381	03708201 Overpayment		188.67
1/3/2020			1	<u>188.67</u>
KATHERINE VOELKER				
000031933	CHEQ00099007390	01112715 Cheque Deposits 01112		24.30
1/17/2020			1	<u>24.30</u>
ANNIE CHU				
000031869	CHEQ00099007376	06109711 Overpayment		44.57
1/9/2020			1	<u>44.57</u>
PEDRO FERNANDEZ				
000031851	CHEQ00099007382	06310100 Cheque Deposits 06310		5.27
1/3/2020			1	<u>5.27</u>
KATHRYN HUGHES				
000031870	CHEQ00099007377	08502500 Cheque Deposits 08502		62.15
1/9/2020			1	<u>62.15</u>
DOREEN OGAWA				
000032057	CHEQ00099007401	04004400 Overpayment		50.00
1/23/2020			1	<u>50.00</u>
DANIEL GONZALEZ				
000031852	CHEQ00099007384	10406300 Cheque Deposits 10406		171.07
1/3/2020			1	<u>171.07</u>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
ROBERT MCAULIFFE				
000031934	CHEQ00099007385	08916600 Cheque Deposits 08916		138.46
	1/17/2020		1	138.46
BOKSUN KWON				
000031935	CHEQ00099007391	03015600 Cheque Deposits 03015		166.38
	1/17/2020		1	166.38
SEAN LA				
000032055	CHEQ00099007400	05411400 Cheque Deposits 05411		72.59
	1/23/2020		1	72.59
YUKIKO DOWDELL				
000031871	CHEQ00099007379	09109800 Cheque Deposits 09109		105.81
	1/9/2020		1	105.81
LAWRENCE WALKER				
000031936	CHEQ00099007388	30001444 Cheque Deposits 30001		152.07
	1/17/2020		1	152.07
DENA TELLER				
000031872	CHEQ00099007374	30001478 Cheque Deposits 30001		97.27
	1/9/2020		1	97.27
ANA MCHALE				
000031873	CHEQ00099007380	08905900 Cheque Deposits 08905		3.17
	1/9/2020		1	3.17
MERITAGE HOMES CORP./SO CAL 257				
000031990	CHEQ00099007392	30002011 Overpayment		37.42
000031990	CHEQ00099007393	30002020 Overpayment		66.10
000031990	CHEQ00099007394	30002038 Overpayment		116.06
	1/17/2020		1	219.58

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
INTRACORP SOUTHERN CA, LLC				
000031937	CHEQ00099007396	20077100 Overpayment		730.00
	1/17/2020		1	730.00
BRENDA GIFFORD				
000031938	CHEQ00099007395	05409000 Cheque Deposits 05409		86.64
	1/17/2020		1	86.64
MILLER ROBERTS				
000031939	CHEQ00099007389	05150003 Cheque Deposits 05150		3.34
	1/17/2020		1	3.34
FRANCIA MCGUIRE				
000031853	CHEQ00099007383	00202001 Cheque Deposits 00202		32.09
	1/3/2020		1	32.09
MONARCH COURT GROUP, LLC				
000032056	CHEQ00099007398	30001884 Overpayment		185.71
000032056	CHEQ00099007399	04112900 Overpayment		21.18
	1/23/2020		1	206.89
ALAN'S LAWNMOWER & GARDEN CENTER				
000032018	922982	HUSQVARNA FUEL		226.98
	1/23/2020		1	226.98
AT&T MOBILITY				
000032004	87295684390X12162	WIRELESS COMM 12/09-01/08		2,425.08
	019			
000032004	87023041770X12282	WIRELESS COMM 11/21-12/20		66.10
	019			
000032080	87295684390X01162	WIRELESS COMM 12/09-01/08		1,361.27
	020			
	1/30/2020		2	3,852.45
ATKINSON, ANDELSON, LOYA, RUUD & ROMO				
000031875	582482	LEGAL SERVICES - NOVEMBER 2019		5,467.85
000032103	584867	LEGAL SERVICES - DECEMBER 2019		10,059.70
	1/30/2020		2	15,527.55

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>BEN'S ASPHALT</b>				
000031929	18065	ON CALL PAVING		51,033.00
	1/17/2020		1	<u>51,033.00</u>
<b>BLUECOSMO SATELLITE COMMUNICATIONS</b>				
000031943	BU01183366	SATELLITE PHONE SERVICE		111.76
000032081	BU01190606	SATELLITE PHONE SERVICE		93.12
	1/30/2020		2	<u>204.88</u>
<b>BSI EHS SERVICES AND SOLUTIONS</b>				
000031944	55697	EHS SUPPORT SERVICES		5,580.00
	1/17/2020		1	<u>5,580.00</u>
<b>CALIFORNIA ADVOCATES INC.</b>				
000032020	012052	PROFESSIONAL SERVICES		7,000.00
	1/23/2020		1	<u>7,000.00</u>
<b>CANON FINANCIAL SERVICES, INC.</b>				
000031945	20858723	PRINTER EQUIPMENT LEASE		4,530.55
000032082	20972471	PRINTER EQUIPMENT LEASE		4,493.38
	1/30/2020		2	<u>9,023.93</u>
<b>CANON SOLUTIONS AMERICA, INC</b>				
000031876	520775	PLOTTER REPAIR		1,087.94
	1/9/2020		1	<u>1,087.94</u>
<b>CITY CLERKS ASSOCIATION OF CALIFORNIA</b>				
000032007	4380	FY20 MEMBERSHIP ANDIE J.		32.50
	1/17/2020		1	<u>32.50</u>
<b>CDW GOVERNMENT INC</b>				
000032022	WGB9588	VEHICLE LAPTOP MOUNTS		841.56
	1/23/2020		1	<u>841.56</u>
<b>CITY OF TUSTIN</b>				
000032023	2020	2020 OCHRC MEMBERSHIP RENEWAL		250.00
	1/23/2020		1	<u>250.00</u>



# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
CCS ORANGE COUNTY JANITORIAL INC.				
000032024	454677	JANITORIAL SERVICES		3,798.08
	1/23/2020		1	3,798.08
COMMUNICATIONS LAB				
000032085	2020-01Q	MWD WEBSITE SUPPORT		2,000.00
	1/30/2020		1	2,000.00
DUDEK				
000032060	20198938	OC-44 PIPELINE REHAB		31,310.00
	1/23/2020		1	31,310.00
ENTERPRISE FM TRUST				
000031925	FBN3872727	AUTO LEASES - JANUARY 2020		1,025.68
	1/9/2020		1	1,025.68
FM THOMAS AIR CONDITIONING INC				
000032029	40486	QUARTERLY PLANNED MAINTENANCE		870.00
	1/23/2020		1	870.00
FOLEY & MANSFIELD, P.L.L.P.				
000032107	2517799	LEGAL FEES - DEC 2019		4,050.00
000032107	2517800	LEGAL FEES - DEC 2019		1,770.00
	1/30/2020		1	5,820.00
FRONTIER COMMUNICATIONS				
000031854	17945DEC19	DDS LINE 12/13-01/12		108.37
000032087	17945JAN20	DDS LINE 01/13-02/12		108.37
	1/30/2020		2	216.74
FULL CIRCLE RECYCLING				
000031949	24370	RECYCLING SERVICES		133.50
	1/17/2020		1	133.50

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
HAZEN AND SAWYER				
000031952	20035-003-12	M18-117 DESIGN SERVICES		35,646.96
	1/17/2020		1	35,646.96
INDUSTRIAL METAL SUPPLY CO				
000032109	519204	PARTS AND SUPPLIES		139.07
	1/30/2020		1	139.07
INFOSEND INC				
000031907	163997	CUSTOMER BILLING SERVICE		1,792.98
000031907	164227	CUSTOMER BILLING SERVICE		2,904.37
000031954	162936	OFFICE SUPPLIES		535.56
000031954	164403	CUSTOMER BILLING SERVICE		1,663.54
000031954	165197	CUSTOMER BILLING SERVICE		1,313.34
000032062	162934	CUSTOMER SERV PORTAL - OCT19		400.00
000032062	163930	CUSTOMER SERV PORTAL - NOV19		400.00
000032062	165321	CUSTOMER SERV PORTAL - DEC19		400.00
000032110	165364	CUSTOMER BILLING SERVICE		1,871.65
000032110	165623	CUSTOMER BILLING SERVICE		2,697.06
000032110	165798	CUSTOMER SERV PORTAL - JAN20		400.00
	1/30/2020		4	14,378.50
JOHN ROBINSON CONSULTING, INC.				
000032064	MW201901-09	DECEMBER WATER RESOURCE CONSUL		9,600.00
000032064	MW201902-02	CONSULTING SERVICES		1,200.00
	1/23/2020		1	10,800.00
KLEEN KRAFT SERVICES				
000031909	1022204	UNIFORMS, MATS, TOWELS		254.47
000032065	1024993	UNIFORMS, MATS, TOWELS		212.84
000032111	S1024783	MWD EMBROIDERED WEAR		1,417.12
000032111	1025683	UNIFORMS, MATS, TOWELS		221.56
REMIT000000 000000946				
	1/30/2020		4	2,105.99

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
CHARLES L. SWEAZY				
000032032	18149	TEST BACKFLOW - PREVENTION		747.50
	1/23/2020		1	747.50
LOS ANGELES TIMES				
000031926	71466-012420	LAT SUBSCRIPTION 01/24-4/20		180.49
	1/9/2020		1	180.49
LEICA GEOSYSTEMS SOLUTION CENTER				
000032113	US-901995516	PAINT SUPPLIES		237.05
	1/30/2020		1	237.05
LIEBERT CASSIDY WHITMORE				
000031921	1489710	PROFESSIONAL SERVICES - NOV		1,163.35
000031956	1488935	LCW OC-ERC MEMBERSHIP A. WADE		3,535.00
000032090	1491285	PROFESSIONAL SERVICES - DEC		420.00
	1/30/2020		3	5,118.35
LIFECOM, INC.				
000031957	2088022-IN	SERVICE/CALIBRATE RKI EAGLE		65.00
000031957	2088023-IN	SERVICE/CALIBRATE RKI EAGLE		65.00
000032033	2088091-IN	SERVICE/CALIBRATE RKI EAGLE		145.82
	1/23/2020		2	275.82
MESA WATER VAULT CASH				
0152436	012920	CASH/VAULT		295.00
	1/29/2020		1	295.00
MORAN CONSULTING, INC.				
000031887	3636	CS ONGOING SUPPORT		6,000.00
000032034	3642	CS ONGOING SUPPORT		6,500.00
	1/23/2020		2	12,500.00
MUNICIPAL WATER DISTRICT OF OC				
000031856	2331	SMART TIMERS - OCT 2019		140.00
000031922	2342	SMART TIMERS - NOV 2019		70.00
	1/9/2020		2	210.00

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
NEXTDAY DELIVERY SERVICE, LLC				
000031959	761593	MAIL DELIVERY SVCS		552.84
	1/17/2020		1	552.84
NGWA				
000031960	12092019	PHIL LAURI NGWA MEMBERSHIP		375.00
	1/17/2020		1	375.00
NOVATIME TECHNOLOGY INC				
000031961	PSI110613	MONTHLY FEE - TIME CARDS		183.50
	1/17/2020		1	183.50
NTH GENERATION COMPUTING INC.				
000031962	35112TM5	AUDIT PLAN SUPPORT		13,225.00
	1/17/2020		1	13,225.00
ORANGE COUNTY PRINTING				
000031911	106849708	PRINTING - WELCOME DOOR HANGER		1,161.55
000031911	738311818	PRINTING-INVOICE CLOUD INSERT		1,071.04
000031963	476489343	DESIGN SERVICES-ENVELOPE MESG		282.84
000031963	432977985	DESIGN SERVICES - COVER SHEET		80.82
000032036	415735262	DESIGN SERVICES-POSTCARDS		107.75
	1/23/2020		3	2,704.00
O'NEIL STORAGE #0481				
000031966	1912056	FILE STORAGE - DECEMBER 2019		173.40
	1/17/2020		1	173.40
ORANGE COUNTY WATER ASSOCIATION				
000031967	02866	2020 ANNUAL MEMBERSHIP RENEWAL		70.00
	1/17/2020		1	70.00
ORANGE COAST PLUMBING				
000031968	256837S	PLUMBING REPAIRS		895.00
	1/17/2020		1	895.00

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>OSTS INC</b>				
000032038	52206	FORKLIFT TRAINING		550.00
	1/23/2020		1	<u>550.00</u>
<b>PETE'S ROAD SERVICE</b>				
000031969	380891-00	TIRE REPAIR		442.23
000032039	383927-00	TIRE REPAIR		306.74
	1/23/2020		2	<u>748.97</u>
<b>PROCARE WORK INJURY CENTER (DBA)</b>				
000031972	283473	EMPLOYMENT SCREENINGS		326.82
	1/17/2020		1	<u>326.82</u>
<b>RAFTELIS FINANCIAL CONSULTANTS</b>				
000032093	13819	FINANCIAL MODELING ASSISTANCE		375.00
	1/30/2020		1	<u>375.00</u>
<b>RAYNE WATER SYSTEMS</b>				
000031973	30486JAN20	SOFT WATER SERVICE JAN 20		39.45
	1/17/2020		1	<u>39.45</u>
<b>RSM US PRODUCT SALES, LLP</b>				
000031890	5852465	GREAT PLAINS SUPPORT		800.00
000032094	5871458	GREAT PLAINS SUPPORT		800.00
	1/30/2020		2	<u>1,600.00</u>
<b>SAP AMERICA, INC.</b>				
000032042	6601223240	SOFTWARE LICENSE - CRYSTAL REP		4,207.50
	1/23/2020		1	<u>4,207.50</u>
<b>SECTRAN SECURITY INC</b>				
000031975	19120977	WEEKLY BANK DEPOSITS		124.30
000032043	20010982	WEEKLY BANK DEPOSITS		140.16
	1/23/2020		2	<u>264.46</u>
<b>SENTRIC INC</b>				
0152437	1179654	PAYROLL PROCESSING FEE		301.00

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
0152438	1180926	PAYROLL PROCESSING FEE		1,043.10
	1/22/2020		2	1,344.10
<b>SONSRAY MACHINERY</b>				
000031913	W08458-03	FLEET REPAIR		735.66
000031913	W08457-03	FLEET REPAIR		926.63
000031913	W08460-03	FLEET REPAIR		855.00
000031913	W08459-03	FLEET REPAIR		815.23
000031913	W08456-03	FLEET REPAIR		906.81
	1/9/2020		1	4,239.33
<b>STAFFING SOLUTIONS</b>				
000031891	30082	TEMP LABOR, CUS SVC, WE 12/01		1,000.56
000032117	29660	TEMP LABOR, CUS SVC, WE 10/13		667.04
000032117	29718	TEMP LABOR, CUS SVC, WE 10/20		1,667.60
000032117	29778	TEMP LABOR, CUS SVC, WE 10/27		1,667.60
000032117	29842	TEMP LABOR, CUS SVC, WE 11/03		1,667.60
000032117	30139	TEMP LABOR, CUS SVC, WE 12/08		1,334.08
000032117	30198	TEMP LABOR, CUS SVC, WE 12/08		1,000.56
	1/30/2020		2	9,005.04
<b>T2 TECHNOLOGY GROUP, LLC</b>				
000031930	00307040	IT SUPPORT - NOVEMBER 2019		29,605.00
000031930	00307041	IT SUPPORT - NOVEMBER 2019		23,245.00
000031930	00307049	IT SUPPORT - NOVEMBER 2019		21,747.50
000031930	00307045	IT SUPPORT - NOVEMBER 2019		300.00
000031930	00307056	IT SUPPORT - DECEMBER 2019		32,617.50
000031930	00307060	IT SUPPORT - DECEMBER 2019		62,277.50
000031930	00307057	IT SUPPORT - DECEMBER 2019		26,700.00
000031930	00307058	IT SUPPORT - DECEMBER 2019		300.00
000032118	3752	CISCO CLOUD		19,464.80
000032118	3753	SOFTWARE SUPPORT & LICENSES		6,200.00
	1/30/2020		2	222,457.30
<b>THEODORE ROBINS FORD</b>				
000031915	C30370	AUTO REPAIRS & MAINTENANCE		52.67

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
000031915	C31438	AUTO REPAIRS & MAINTENANCE		276.44
000031915	C31528	AUTO REPAIRS & MAINTENANCE		72.81
000031915	C31519	AUTO REPAIRS & MAINTENANCE		318.45
000031979	C32227	AUTO REPAIRS & MAINTENANCE		624.75
000031979	C32290	AUTO REPAIRS & MAINTENANCE		1,259.23
000032068	C32496	AUTO REPAIRS & MAINTENANCE		1,535.36
	1/23/2020		3	<u>4,139.71</u>
TIME WARNER CABLE				
000031865	1524356121519	INTERNET-MWRF		204.98
000031865	0679649121810	INTERNET-MWRF		324.98
000031892	1048224121919	INTERNET - DISTRICT		2,114.00
000031980	0012934010320	INTERNET - DISTRICT		349.35
000032120	1524356011520	INTERNET-MWRF SUBLEASE		204.98
000032120	0679649011820	INTERNET-MWRF		324.98
000032120	1048224011920	INTERNET-DISTRICT		2,114.00
	1/30/2020		4	<u>5,637.27</u>
TOTALFUNDS				
000031981	5780DEC19	POSTAGE - DECEMBER 2019		1,000.00
	1/17/2020		1	<u>1,000.00</u>
TRUE NORTH RESEARCH, INC.				
000031982	2498	CUSTOMER SURVEY 2020		34,875.00
	1/17/2020		1	<u>34,875.00</u>
UNIVERSAL BLOWER PAC, INC.				
000031983	16300	SUPPLIES - FILTERS		1,067.50
	1/17/2020		1	<u>1,067.50</u>
UNIVERSAL WASTE SYSTEMS, INC				
000031918	0000516393	WASTE REMOVAL - JANUARY		87.00
	1/9/2020		1	<u>87.00</u>
UNUM				
000031984	04205600016FEB20	LIFE INSURANCE - FEB 2020		3,917.89
	1/17/2020		1	<u>3,917.89</u>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>VERIZON WIRELESS</b>				
000031896	9844397931	MOBILE INTERNET - 11/17-12/16		2,632.63
000032099	9846474303	MOBILE INTERNET - 12/17-01/16		2,463.13
	1/30/2020		2	<u>5,095.76</u>
<b>E. H. WACHS COMPANY</b>				
000031987	INV169375	KEY EXTENSION ASSEMBLY		628.02
	1/17/2020		1	<u>628.02</u>
<b>WASTE MANAGEMENT OF OC</b>				
000031898	0381379-2515-2	TR CONTAINER RENTAL JAN 2020		1,036.64
000031988	7947220-0149-0	TR CONTAINER RENTAL DEC 2019		915.00
000032101	0032804-2884-2	TR CONTAINER RENTAL NOV 2019		381.52
	1/30/2020		3	<u>2,333.16</u>
<b>WATER SYSTEMS CONSULTING, INC.</b>				
000032049	4346	PROJECT RISK & EMERGENCY PLAN		813.75
	1/23/2020		1	<u>813.75</u>
<b>WESTERN EXTERMINATOR COMPANY</b>				
000032051	7733796	PEST CONTROL - MWRF		92.50
000032051	7744931	PEST CONTROL - DISTRICT		92.50
	1/23/2020		1	<u>185.00</u>
<b>WHITE NELSON DIEHL EVANS LLP</b>				
000031989	198725	F19 INTERIM AUDIT SERVICES		9,636.00
	1/17/2020		1	<u>9,636.00</u>
<b>YORKE ENGINEERING, LLC</b>				
000032052	20836	AQ & ES COMPLIANCE ASSISTANCE		4,607.25
	1/23/2020		1	<u>4,607.25</u>
<b>TOTAL GENERAL AND ADMINISTRATIVE</b>			<b>130</b>	<b><u>564,036.23</u></b>



# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>RETIREE CHECKS</b>				
ALAN COOK				
000031901	010120	JAN 2020 INSURANCE SUBSIDY		98.83
	1/9/2020		1	<u>98.83</u>
COLEEN L MONTELEONE				
000031877	010120	JAN 2020 INSURANCE SUBSIDY		245.00
	1/9/2020		1	<u>245.00</u>
DIANA LEACH				
000031879	010120	JAN 2020 INSURANCE SUBSIDY		271.06
	1/9/2020		1	<u>271.06</u>
JOHN CERNEK				
000031884	010120	JAN 2020 INSURANCE SUBSIDY		66.28
	1/9/2020		1	<u>66.28</u>
LORI MULLER				
000031885	010120	JAN 2020 INSURANCE SUBSIDY		98.56
	1/9/2020		1	<u>98.56</u>
PATTI REYNOLDS				
000031889	010120	JAN 2020 INSURANCE SUBSIDY		1.06
	1/9/2020		1	<u>1.06</u>
<b>TOTAL RETIREE CHECKS</b>			<b>6</b>	<b>780.79</b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>CHECK SIGNATURE EXEMPT</b>				
SOUTHERN CALIFORNIA EDISON CO				
000031866	2236281499DEC19	ELECTRICITY - DECEMBER 2019		53,629.06
	1/9/2020		1	53,629.06
<b>TOTAL CHECK SIGNATURE EXEMPT</b>			<b>1</b>	<b>53,629.06</b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>WATER SUPPLY</b>				
AIRGAS USA LLC				
000032078	9967726443	CYLINDER RENTAL		171.61
	1/30/2020		1	171.61
CULLIGAN OF SANTA ANA				
000032025	1155165	WATER SOFTENER-ANNUAL MAINT		543.13
	1/23/2020		1	543.13
HILL BROTHERS CHEMICAL CO.				
000032061	07063520	AMMONIA		4,664.00
000032061	07063519	AMMONIA		9,261.56
000032061	07063518	AMMONIA		9,308.00
	1/23/2020		1	23,233.56
JR FILANC CONSTRUCTION COMPANY				
000032123	1RET	M17-002A SANTA ANA REFURB		5,258.55
000032123	2RET	M17-002A SANTA ANA PRS UPGRADE		1,616.45
000032123	3RET	M17-002A CONSTRUCTION		8,896.87
000032123	4RET	M17-002A SANT ANA PRS UPGRADE		2,013.00
000032123	5RET	M17-002A CONSTRUCTION		1,341.05
000032123	6RET	M17-002A CONSTRUCTION		6,129.40
000032123	7RET	M17-002A CONSTRUCTION		1,300.00
	1/30/2020		1	26,555.32
NALCO WATER PRETREATMENT SOLUTIONS				
000031888	2406249	MWRF GARDEN SUPPLIES		525.02
000032066	2391991	MWRF GARDEN SUPPLIES		371.69
000032066	2392165	MWRF GARDEN SUPPLIES		9.48
	1/23/2020		2	906.19
OCWD				
0152435	010120	JULY-DEC 2019 RA		3,800,207.10
	1/23/2020		1	3,800,207.10

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
SEPARATION PROCESSES, INC				
000032044	9635	SUPPORT SERVICES		2,960.22
	1/23/2020		1	2,960.22
UNIVAR SOLUTIONS USA, INC.				
000031917	LA775072	SOD HYPO		2,181.00
000031917	LA775239	SOD HYPO		163.58
000031917	LA775245	SOD HYPO		1,090.50
000031917	LA775246	SOD HYPO		1,090.50
000031917	LA775247	SOD HYPO		1,090.50
000032070	LA778298	SOD HYPO		2,324.95
000032070	LA778417	SOD HYPO		115.59
000032070	LA778416	SOD HYPO		219.19
	1/23/2020		2	8,275.81
UNITED WATERWORKS INC.				
000031894	S100083581.002	WATER OPS SUPPLIES		10,246.91
000032122	S100082857.002	WATER OPS SUPPLIES		1,606.12
000032122	S100083581.003	WATER OPS SUPPLIES		21.12
000032122	S100083794.002	WATER OPS SUPPLIES		3,617.17
	1/30/2020		2	15,491.32
<b>TOTAL WATER SUPPLY</b>			<b>12</b>	<b>3,878,344.26</b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>WATER SYSTEM</b>				
BADGER METER INC.				
000032005	80041799	READER - SERVICE AGREEMENT		780.00
	1/17/2020		1	780.00
BATTERY MART INC				
000031941	34849	BATTERIES		108.70
	1/17/2020		1	108.70
SULZER ELECTRO-MECHANICAL SERVICES				
000032006	SI09759	MOTOR REPAIRS		954.84
	1/17/2020		1	954.84
C. WELLS PIPELINE MATERIALS				
000031904	INV000065144	PIPE SUPPLIES		8,029.87
	1/9/2020		1	8,029.87
DIG SAFE BOARD				
000031920	18DSBFE7021	DIG SAFE BOARD FEES		321.85
	1/9/2020		1	321.85
DWYER INSTRUMENTS				
000031881	04826101	FLOW SWITCH REPAIR		682.60
	1/9/2020		1	682.60
EWLES MATERIALS INC				
000031882	381667	BOBTAIL DUMP FEES		540.00
000032027	383322	BOBTAIL DUMP FEES		320.00
	1/23/2020		2	860.00
IRVINE PIPE & SUPPLY				
000031908	928879	PIPE FITTINGS AND SUPPLIES		167.37
000031908	929033	PIPE FITTINGS AND SUPPLIES		693.14
000031908	929257	PIPE FITTINGS AND SUPPLIES		817.26
000032009	929513	PIPE FITTINGS AND SUPPLIES		507.29
000032009	929517	PIPE FITTINGS AND SUPPLIES		95.00
000032009	929948	PIPE FITTINGS AND SUPPLIES		110.07
000032063	929618	PIPE FITTINGS AND SUPPLIES		9.50

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
000032063	930244	PIPE FITTINGS AND SUPPLIES		105.90
	1/23/2020		3	<u>2,505.53</u>
LARRY'S BUILDING MATERIALS				
000032010	CM-121627	BUILDING MATERIALS		73.49
000032010	CM-121845	BUILDING MATERIALS		30.98
	1/17/2020		1	<u>104.47</u>
ORANGE COUNTY SANITATION DISTRICT				
000031964	538818	FY20 Q2 ESTIMATED USE CHARGE		19,602.52
	1/17/2020		1	<u>19,602.52</u>
ORANGE COUNTY PUMP				
000032037	152704	C02 PUMP REPAIR		2,069.88
	1/23/2020		1	<u>2,069.88</u>
POLLARD WATER				
000032067	0156257	WATER OPS TOOLS/SUPPLIES		315.71
000032067	0156256	WATER OPS TOOLS/SUPPLIES		3,221.54
	1/23/2020		1	<u>3,537.25</u>
PRAXAIR DISTRIBUTION, INC.				
000031971	71412620	ACETYLENE CYLINDER RENTAL		31.55
000032040	94220281	WELDING SUPPLIES		85.12
000032091	94275164	WELDING SUPPLIES		138.17
	1/30/2020		3	<u>254.84</u>
PRAXAIR				
000031912	92642639	CARBON DIOXIDE		2,933.42
000032092	94086175	CARBON DIOXIDE		2,164.70
	1/30/2020		2	<u>5,098.12</u>
SOUTH COAST A.Q.M.D.				
000032095	3567998	RENEWAL FEE: ICE EM ELEC GEN D		1,928.97
000032095	3570351	FY19/20 FLAT FEE EMISSIONS		136.40
	1/30/2020		1	<u>2,065.37</u>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
ALS TRUESDAIL LABORATORIES INC				
000032046	521906309	WATER QUALITY TESTING		33.00
	1/23/2020		1	33.00
UNDERGROUND SERVICE ALERT/SC				
000031893	122019423	UNDERGROUND DIG ALERT		374.65
	1/9/2020		1	374.65
<b>TOTAL WATER SYSTEM</b>			<b>23</b>	<b>47,383.49</b>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
<b>VARIOUS</b>				
AMAZON BUSINESS				
000031902	14Y3-PQFH-NC36	OFFICE SUPPLIES		89.26
000031902	1DRK-77L9-M1JQ	OFFICE SUPPLIES		60.42
000031902	1LMX-WTLX-DNXN	OFFICE SUPPLIES		83.76
000031902	1X4K-RN63-GGF7	OFFICE SUPPLIES		35.53
000031902	1L7J-NW4G-4Q14	OFFICE SUPPLIES		105.54
000031902	1V9D-HTG3-LKKG	OFFICE SUPPLIES		200.06
000031902	1J1F-QCR7-MXJR	OFFICE SUPPLIES		10.76
000031902	1J1F-QCR7-K6YP	OFFICE SUPPLIES		500.49
000031902	1KXN-J6H4-VDLX	OFFICE SUPPLIES		98.40
000031902	1VMH-TDK7-DGGQ	OFFICE SUPPLIES		10.56
000031991	1TGC-VMLY-JXH7	OFFICE SUPPLIES		311.12
000031991	1719-GNPJ-GV1V	OFFICE SUPPLIES		87.48
000031991	1NFC-6LLT-VYTJ	OFFICE SUPPLIES		16.79
000031991	16WJ-XVVT-VF49	OFFICE SUPPLIES		43.06
000031991	14VT-Y7QH-7CV6	OFFICE SUPPLIES		11.24
000032058	14Y1-CHLN-3X39	OFFICE SUPPLIES		366.62
000032058	1DY9-FKLM-4RCC	OFFICE SUPPLIES		15.21
000032058	19JW-FMJY-JMM7	OFFICE SUPPLIES		44.27
000032058	19D9-R17V-N9F6	OFFICE SUPPLIES		14.90
000032058	1K6T-7PC4-TR1K	OFFICE SUPPLIES		148.05
000032058	1K6T-7PC4-W1HC	OFFICE SUPPLIES		54.83
000032058	17DG-NLM3-3977	OFFICE SUPPLIES		98.11
000032058	13PM-KQDQ-K74M	OFFICE SUPPLIES		17.04
000032058	163P-GLYQ-1J1Q	OFFICE SUPPLIES		11.43
000032058	163P-GLYQ-3Y4Y	OFFICE SUPPLIES		21.54
000032058	1TF6-WQJK-HFWL	OFFICE SUPPLIES		7.47
000032058	1TF6-WQJK-7D9J	OFFICE SUPPLIES		30.13
000032058	1RL4-3PVJ-W1PY	PRIME MEMBERSHIP		537.67
000032058	1PW1-XDCH-MV3F	OFFICE SUPPLIES		38.76
000032102	1PXD-JFTH-W7G7	OFFICE SUPPLIES		60.13
000032102	1YV9-KW67-VRDR	OFFICE SUPPLIES		49.36
000032102	1JRF-XWX6-TDKY	OFFICE SUPPLIES		94.18
000032102	1KT6-6XNQ-79J6	OFFICE SUPPLIES		331.17
000032102	1RL4-3PVJ-M34Q	OFFICE SUPPLIES		80.14
000032102	1FJT-C7L7-VKYV	OFFICE SUPPLIES		50.02



# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
	1/30/2020		4	3,735.50
AT&T				
000032003	000014120488	ACCT#9391055284 DECEMBER 2019		4,475.49
000032003	000014121346	ACCT#9391061444 DECEMBER 2019		55.60
	1/17/2020		1	4,531.09
AT&T				
000031860	4054001DEC19	030 203 4054 001 DECEMBER 2019		87.35
000031861	8274DEC19	949-722-8274 DECEMBER 2019		177.50
000031874	9337JAN20	714-435-9337 JANUARY 2020		1,747.11
000031994	8315JAN20	714-241-8315 JANUARY 2020		655.35
000031995	3044JAN20	949-574-3044 JANUARY 2020		2,166.79
000031996	0926JAN20	949-650-0926 JANUARY 2020		1,477.56
000031997	0779JAN20	339-263-0779 JANUARY 2020		1,594.63
000031998	3066JAN20	960-350-3066 JANUARY 2020		4,419.75
000031999	9024JAN20	339-264-9024 JANUARY 2020		351.63
000032000	8883JAN20	949-631-8883 JANUARY 2020		352.45
000032001	4054001JAN20	030 203 4054 001 JANUARY 2020		93.39
000032002	8274JAN20	949-722-8274 JANUARY 2020		174.98
	1/17/2020		12	13,298.49
BEHRENS AND ASSOCIATES, INC.				
000031942	RI11976	SOUND PANEL RENTAL		1,551.60
	1/17/2020		1	1,551.60
CAROLLO ENGINEERS				
000032021	0183128	E400-0012 GIS & HYDRAULIC MODL		8,195.50
000032083	0183859	E400-0012 GIS & HYDRAULIC MODL		3,545.50
	1/30/2020		2	11,741.00
CAROUSEL INDUSTRIES NORTH AMERICA				
000031946	2444863H1119	FUZE SIMPLICITY VOICE CLOUD		4,249.66
000032084	2453614H1219	FUZE SIMPLICITY VOICE CLOUD		2,467.54
	1/30/2020		2	6,717.20

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
COSTA MESA LOCK & KEY				
000032086	84657	CUT/STAMP MASTER KEYS		2,299.10
	1/30/2020		1	2,299.10
CROWN ACE HARDWARE				
000031903	048412	SUPPLIES		114.34
000031903	048413	SUPPLIES		12.41
000032008	048431	SUPPLIES		21.53
000032008	048450	SUPPLIES		94.74
000032008	048461	SUPPLIES		39.81
000032059	048479	SUPPLIES		49.54
000032059	048478	SUPPLIES		18.31
000032059	048477	SUPPLIES		30.14
000032106	048486	SUPPLIES		41.74
000032106	048504	SUPPLIES		6.02
	1/30/2020		4	428.58
DON WOLF & ASSOCIATES INC				
000032026	38494	REPAIR - TESTO		294.77
	1/23/2020		1	294.77
FEDERAL EXPRESS CORPORATION				
000031948	6-893-29934	SHIPPING SERVICES		79.25
000032028	3-223-13978	SHIPPING SERVICES		369.45
	1/23/2020		2	448.70
GRAINGER				
000031883	9391803476	SAFETY TOOLS & EQUIPMENT		49.09
000032088	9405790016	SAFETY TOOLS & EQUIPMENT		90.59
	1/30/2020		2	139.68
HACH COMPANY				
000032015	11770070	WATER QUALITY SUPPLIES		1,283.10
000032015	11773302	WATER QUALITY SUPPLIES		2,364.06
000032015	11775511	WATER QUALITY SUPPLIES		34,123.74
000032015	11776352	WATER QUALITY SUPPLIES		3,398.00

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
000032015	11778465	WATER QUALITY SUPPLIES		6,272.34
000032015	11779760	WATER QUALITY SUPPLIES		1,322.53
000032015	11784345	WATER QUALITY SUPPLIES		397.40
000032015	11789494	WATER QUALITY SUPPLIES		4,392.97
	1/23/2020		1	<u>53,554.14</u>
 HASHTAG PINPOINT				
000031951	1210	STRATEGIC COMMUNICATIONS		4,000.00
	1/17/2020		1	<u>4,000.00</u>
 THE HOME DEPOT COMMERCIAL ACCT				
000031953	1915DEC19	TOOLS & EQUIPMENT		281.23
	1/17/2020		1	<u>281.23</u>
 HUB AUTO SUPPLY				
000032108	148792	AUTO SUPPLIES		9.58
000032108	148793	AUTO SUPPLIES		14.17
	1/30/2020		1	<u>23.75</u>
 INDEPENDENT STATIONERS				
000032031	SI00382120	OFFICE SUPPLIES		83.08
	1/23/2020		1	<u>83.08</u>
 LEWIS CONSULTING GROUP				
000031955	2019-160	GOV'T RELATIONS SERVICES		4,000.00
	1/17/2020		1	<u>4,000.00</u>
 MOONGOAT COFFEE				
000032114	1550	CITY DISTRICT LIASON		250.00
	1/30/2020		1	<u>250.00</u>
 MEYERS NAVE				
000031886	2019100581	E200-0001 MATTER 1893.003		20,483.82
000031958	2019110210	E200-0001 MATTER 1893.003		25,398.23
000032115	2019120278	E200-0001 MATTER 1893.003		18,566.13
000032115	2019120279	E200-0001 MATTER 1893.003		2,481.30
	1/30/2020		3	<u>66,929.48</u>

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
ORANGE COUNTY WATER DISTRICT				
000031965	16398	SPONSORSHIP - OC SUMMIT		7,500.00
0151880	21072	NOVEMBER 19 GAP WTR		59,510.88
	1/17/2020		2	<u>67,010.88</u>
PONTON INDUSTRIES INC				
000031970	21538-37407	SUPPLIES-ULTRASONIC TRANSMTR		1,211.11
	1/17/2020		1	<u>1,211.11</u>
PRIME SYSTEMS INDUSTRIAL AUTOMATION				
000032041	825-13	SCADA SYSTEMS SUPPORT		6,043.46
	1/23/2020		1	<u>6,043.46</u>
SOUTHERN CALIFORNIA GAS CO				
000031864	05200799004DEC19	NATURAL GAS RES 2, DEC 2019		2,480.52
000031864	08520813000DEC19	NATURAL GAS DISTRICT DEC 19		81.81
000031864	08940813002DEC19	NATURAL GAS, RES 1 DEC 19		762.05
000031924	05060829008DEC19	NATURAL GAS, WELL 5, DEC 2019		13,085.51
000032116	05200799004JAN20	NATURAL GAS RES 2, JAN 2020		2,381.80
000032116	08940813002JAN20	NATURAL GAS, RES 1 JAN 20		1,064.93
000032116	08520813000JAN20	NATURAL GAS DISTRICT JAN 20		62.42
	1/30/2020		3	<u>19,919.04</u>
SPRYPOINT SERVICES INC				
000031977	INV-0305	COGSDALE SUPPORT		3,950.00
	1/17/2020		1	<u>3,950.00</u>
STIVERS & ASSOCIATES INC.				
000031914	12-691	MWRF GARDEN CONSULTING		300.00
000032045	12-703	MWRF GARDEN CONSULTING		300.00
	1/23/2020		2	<u>600.00</u>
VALLEY POWER				
000031895	B41996	WELL 5 ENGINE REPAIR		3,724.43
	1/9/2020		1	<u>3,724.43</u>
VFS FIRE & SECURITY SERVICES				
000031897	6030683	FIRE SPRINKLER SYSTEM TESTING		500.00

# ACCOUNTS PAID LISTING

FROM 1/1/2020 TO 1/31/2020

Vendor Check Number	Invoice Number	Description	Check Count	Amount
000031897	6030656	FIRE SPRINKLER SYSTEM TESTING		500.00
	1/9/2020		1	1,000.00
VONAGE HOLDINGS CORPORATION				
000031986	1914701	TELEPHONE SERVICES JAN 2020		10,119.82
	1/17/2020		1	10,119.82
WECK ANALYTICAL ENVIRONMENTAL SERVICES INC.				
000031899	70478	WATER QUALITY ANALYSIS		3,363.50
000032050	70492	WATER QUALITY ANALYSIS		2,794.50
	1/23/2020		2	6,158.00
WHITTINGHAM PUBLIC AFFAIRS ADVISORS				
000031900	000595	SCAQMD CONSULTING		1,512.50
	1/9/2020		1	1,512.50
<b>TOTAL VARIOUS</b>			<b>58</b>	<b>295,556.63</b>
<b>GRAND TOTAL</b>			<b>305</b>	<b>6,923,858.78</b>



*Dedicated to  
Satisfying our Community's  
Water Needs*

## MEMORANDUM

TO: Finance Committee  
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer  
DATE: February 24, 2020  
SUBJECT: Monthly Financial Reports

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### RECOMMENDATION

This item is provided for information.

### STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

### PRIOR BOARD ACTION/DISCUSSION

None.

### DISCUSSION

The attached Treasurer's status reports reflect the performance of Mesa Water's cash and investment accounts.

### FINANCIAL IMPACT

None.

### ATTACHMENTS

Attachment A: Monthly Treasurer's Status Report on Investments as of 01/31/20  
Attachment B: Monthly Treasurer's Status Report on Investments as of 12/31/19

**Mesa Water District**  
**Monthly Treasurer's Status Report on Investments**  
**As of 01/31/2020**



Investments are in compliance with the Investment Policy adopted as Resolution 1506 of the Mesa Water District Board of Directors. The liquidity of investments will meet cash flow needs for the next six months except under unforeseen catastrophic circumstances.

<u>Investments</u>	<u>Maturity Date</u>	<u>Days to Maturity</u>	<u>YTM@Cost</u>	<u>Cost Value</u>	<u>% of Portfolio</u>	<u>Policy % Limit</u>	<u>Market Value</u>
Local Agency Investment Fund (LAIF)	Liquid	1	1.97%	1,068.08	0.00%	No Limit	1,068.08
Orange County Investment Pool (OCIP)	Liquid	1	1.91%	6,748,200.36	20.57%	No Limit	6,748,200.36
Miscellaneous Cash (Petty Cash, Emergency Cash, etc.)	Liquid	1	0.00%	4,500.00	0.01%	N/A	4,500.00
Union Bank Custody Account							
Negotiable Certificate of Deposit	Various	1,039	2.04%	9,304,787.50	28.58%	30.00%	9,376,010.28
US Agency Bonds	Various	675	1.73%	12,624,793.50	38.65%	No Limit	12,677,779.00
<b>Sub Total / Average</b>				<b>21,929,581.00</b>			<b>22,053,789.28</b>
Union Bank Accounts	Liquid	1	0.45%	3,997,295.95	12.19%	No Limit	3,997,295.95
<b>Total / Average</b>		<b>558</b>	<b>1.70%</b>	<b>\$ 32,680,645.39</b>	<b>100.00%</b>		<b>\$ 32,804,853.67</b>

<u>PARS OPEB &amp; Pension Trust</u>	<u>Monthly Rate of Return</u>	<u>Cost Value</u>	<u>Market Value</u>
Public Agency Retirement Services (PARS)			
Capital Appreciation HighMark PLUS Fund			
OPEB	-0.47%	1,355,015.55	1,508,223.93
Pension Trust	-0.47%	13,159,606.22	14,106,374.85
		<b>\$ 14,514,621.77</b>	<b>\$ 15,614,598.78</b>

**Local Agency Investment Fund (LAIF)**

LAIF includes funds designated for allocation of working capital cash to reserves, working capital cash and advances for construction. LAIF market value on Monthly Treasurer's Status Report on Investments for months between quarters is the dollar amount invested times the fair market value Fair Value factor of prior quarter end. The general ledger LAIF carrying value reflects market value (unrealized gains and losses) only at fiscal year end. LAIF provides the Fair Value factor as of March 31, June 30, September 30 and December 31 each year. LAIF market value on this report is based on the December 2019 Fair Value Factor of 1.001770298.

**Orange County Treasurer's Investment Pool (OCIP)**

The MY 2019 net asset value factor is estimated at 1.00, and the interest rate is the Monthly Net Yield.

**Weighted Average Return**

Mesa Water® Funds | 1.70%

Benchmark: 3 Month Treasury Bill - January 2020 | 1.55%

**Weighted Average Maturity**

Years | 1.5

Days to Maturity | 558

**PARS OPEB & Pension Trust Benchmark - S & P 500 Index**

1 Month | -0.16%

Mesa Water District  
 Portfolio Holdings  
 Certificate of Participation Investments  
 Report Format: By Transaction  
 Group By: Portfolio Name  
 Average By: Market Value  
 Portfolio / Report Group: Report Group: COPS Trust Indentures  
 As of 1/31/2020

<u>Description</u>	<u>CUSIP/Ticker</u>	<u>Asset Category</u>	<u>Coupon Rate</u>	<u>YTM @ Cost</u>	<u>Settlement Date</u>	<u>Maturity Date</u>	<u>Cost Value</u>	<u>Market Value</u>	<u>% of Portfolio</u>
<b>2010 COPS</b>									
US Bank Cash	MM6000	6000 Reserve Fund - Liquid Assets	0.000	0.000	8/31/2015	N/A	0.02	0.02	100.00
<b>Sub Total / Average 2010 COPS</b>			<b>0.000</b>	<b>0.000</b>			<b>0.02</b>	<b>0.02</b>	<b>100.00</b>
<b>Total / Average</b>			<b>0.000</b>	<b>0.000</b>			<b>0.02</b>	<b>0.02</b>	<b>100</b>



Mesa Water District  
Transactions Summary  
Monthly Treasurer's Status Report - Investment Activity  
Group By: Action  
Portfolio / Report Group: Report Group | Treasurer's Report  
Begin Date: 12/31/2019, End Date: 01/31/2020

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
<b>Interest</b>								
Merrick Bank UT 3 7/31/2023	59013J6G9	0.000	1/1/2020	7/31/2023	0.00	0.00	634.44	634.44
Marlin Business Bank UT 1.7 12/4/2023	57116ATG3	0.000	1/2/2020	12/4/2023	0.00	0.00	359.52	359.52
First Technology CU CA 1.75 6/30/2021	33715LAD2	0.000	1/2/2020	6/30/2021	0.00	0.00	11.84	11.84
Wells Fargo SD 1.6 8/3/2021	9497486Z5	0.000	1/3/2020	8/3/2021	0.00	0.00	335.65	335.65
Enterprise Bank & Trust 1.75 11/8/2023	29367SJR6	0.000	1/8/2020	11/8/2023	0.00	0.00	370.09	370.09
FFCB 1.42 1/12/2021-16	3133EGLH6	0.000	1/12/2020	1/12/2021	0.00	0.00	7,100.00	7,100.00
Everbank FL 2 7/14/2020	29976DZD5	0.000	1/14/2020	7/14/2020	0.00	0.00	2,490.30	2,490.30
Goldman Sachs NY 3.3 1/16/2024	38148P4E4	0.000	1/16/2020	1/16/2024	0.00	0.00	4,075.73	4,075.73
Commonwealth Bank & Trust KY 2 9/18/2024	202710AJ8	0.000	1/18/2020	9/18/2024	0.00	0.00	422.96	422.96
Garnett State Bank 1.7 11/19/2024	366526AW1	0.000	1/19/2020	11/19/2024	0.00	0.00	359.52	359.52
Business Bank MO 2 1/20/2022	12325EHH8	0.000	1/20/2020	1/20/2022	0.00	0.00	419.56	419.56
First National Bank MI 2 1/20/2022	32110YJT3	0.000	1/20/2020	1/20/2022	0.00	0.00	341.42	341.42
Citizens State Bank 1.7 11/22/2024	176688CR8	0.000	1/22/2020	11/22/2024	0.00	0.00	359.52	359.52
Celtic Bank UT 1.65 10/23/2024	15118RSV0	0.000	1/23/2020	10/23/2024	0.00	0.00	348.94	348.94
First Keystone Community Bank PA 1.9 10/23/2023-20	32065RAF2	0.000	1/23/2020	10/23/2023	0.00	0.00	401.81	401.81
Parkside Financial Bank MO 1.85 10/23/2024	70147ADG6	0.000	1/23/2020	10/23/2024	0.00	0.00	391.24	391.24
Eaglebank MD 2.5 5/24/2024	27002YEN2	0.000	1/24/2020	5/24/2024	0.00	0.00	528.70	528.70
FNMA 1.6 7/28/2021-16	3136G3J30	0.000	1/28/2020	7/28/2021	0.00	0.00	24,000.00	24,000.00
Countryside Federal CU NY 1.65 10/28/2021	22239MAL2	0.000	1/28/2020	10/28/2021	0.00	0.00	346.14	346.14
Morgan Stanley UT 3.05 1/31/2024	61690UDV9	0.000	1/31/2020	1/31/2024	0.00	0.00	3,782.33	3,782.33
LAIF LGIP	LGIP0012	0.000	1/31/2020	N/A	0.00	0.00	6.10	6.10
Orange County Investment Pool LGIP	LGIP9LC	0.000	1/31/2020	N/A	0.00	0.00	6,952.95	6,952.95
Morgan Stanley NY 3.05 1/31/2024	61760AVF3	0.000	1/31/2020	1/31/2024	0.00	0.00	3,782.33	3,782.33
Franklin Synergy Bank TN 2 1/31/2022	35471TCV2	0.000	1/31/2020	1/31/2022	0.00	0.00	419.56	419.56
<b>Sub Total / Average Interest</b>					<b>0.00</b>	<b>0.00</b>	<b>58,240.65</b>	<b>58,240.65</b>

Mesa Water District  
Portfolio Holdings  
Investment Report | PARS Trust  
Report Format: By CUSIP / Ticker  
Group By: Portfolio Name  
Average By: Market Value  
Portfolio / Report Group: Report Group | PARS Trust  
As of 1/31/2020

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
<b>PARS OPEB Trust</b>					
Columbia Contrarian Fund	19766M709	Mutual Fund	3,439.86	80,385.60	94,458.05
DFA Large Cap	233203868	Mutual Fund	2,841.16	60,001.43	65,317.83
Dodge & Cox International	256206103	Mutual Fund	980.66	39,216.88	40,647.58
Dodge & Cox Stock Fund	256219106	Mutual Fund	572.80	105,212.60	107,371.75
Doubline Core Fix Income	258620301	Mutual Fund	9,573.96	104,443.62	107,611.21
Harbor Capital Appreciation	411512528	Mutual Fund	730.02	48,705.17	57,679.11
Hartford Schroders	41665X859	Mutual Fund	4,712.80	71,121.39	74,368.16
iShares Russell Mid Cap	464287499	Mutual Fund	1,489.00	41,762.23	88,029.68
iShares SP500	464287408	Mutual Fund	290.00	37,718.76	36,716.90
MFS International	552746356	Mutual Fund	1,155.88	33,016.17	41,888.71
PGIM Total Return Bond	74440B884	Mutual Fund	7,411.75	108,017.66	109,248.64
Pimco Total Return Fund	693390700	Mutual Fund	10,338.48	107,134.40	109,277.88
Price T Rowe Growth	741479406	Mutual Fund	754.47	45,489.26	56,812.34
Undiscovered	904504479	Mutual Fund	1,242.70	77,531.16	73,481.62
US Bank PARS - OPEB Trust MM	MM4900	Money Market	18,517.74	18,517.74	18,517.74
Vanguard Growth & Income	921913208	Mutual Fund	2,888.59	205,531.12	244,375.56
Vanguard Real Estate	922908553	Mutual Fund	674.00	57,774.74	63,308.82
Vanguard Short Term	922031836	Mutual Fund	3,740.18	39,174.64	40,393.93
Victory RS	92647Q363	Mutual Fund	968.72	74,260.98	78,718.42
<b>Sub Total / Average PARS OPEB Trust</b>			<b>72,322.77</b>	<b>1,355,015.55</b>	<b>1,508,223.93</b>
<b>PARS Pension Trust</b>					
Columbia Contrarian Fund	19766M709	Mutual Fund	32,301.58	835,931.26	887,001.09
DFA Large Cap	233203868	Mutual Fund	26,681.26	561,434.20	613,402.22
Dodge & Cox International	256206103	Mutual Fund	9,209.11	409,869.82	381,718.06
Dodge & Cox Stock Fund	256219106	Mutual Fund	5,379.18	1,067,603.04	1,008,327.66
Doubline Core Fix Income	258620301	Mutual Fund	89,908.68	977,934.06	1,010,573.36
Harbor Capital Appreciation	411512528	Mutual Fund	6,855.65	496,413.69	541,664.59

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
Hartford Schroders	41665X859	Mutual Fund	43,252.42	650,866.44	682,523.24
iShares Russell Mid Cap	464287499	Mutual Fund	13,986.00	387,809.79	826,852.32
iShares SP500	464287408	Mutual Fund	2,729.00	354,946.57	345,518.69
MFS International	552746356	Mutual Fund	10,854.53	359,147.79	393,368.36
PGIM Total Return Bond	74440B884	Mutual Fund	69,076.39	1,002,160.73	1,018,186.07
Pimco Total Return Fund	693390700	Mutual Fund	96,145.91	984,602.04	1,016,262.27
Price T Rowe Growth	741479406	Mutual Fund	7,085.32	469,622.58	533,524.89
Undiscovered	904504479	Mutual Fund	11,670.87	768,560.27	690,098.08
US Bank PARS - Pension Trust MM	MM4901	Money Market	150,275.74	150,275.74	150,275.74
Vanguard Growth & Income	921913208	Mutual Fund	27,126.72	2,088,350.80	2,294,919.22
Vanguard Real Estate	922908553	Mutual Fund	6,338.00	533,255.47	595,328.34
Vanguard Short Term	922031836	Mutual Fund	34,960.58	365,032.65	377,574.22
Victory RS	92647Q363	Mutual Fund	9,097.41	695,789.28	739,256.43
<b>Sub Total / Average PARS Pension Trust</b>			<b>652,934.35</b>	<b>13,159,606.22</b>	<b>14,106,374.85</b>
<b>Total / Average</b>			<b>725,257.12</b>	<b>14,514,621.77</b>	<b>15,614,598.78</b>

Mesa Water District  
 Transactions Summary  
 Monthly Treasurer's Status Report - Investment Activity  
 Group By: Action  
 Portfolio / Report Group: PARS OPEB Trust  
 Begin Date: 12/31/2019, End Date: 01/31/2020

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
<b>Buy</b>								
Pimco Total Return Fund	693390700	0.000	1/31/2020	N/A	25.686	271.50	0.00	271.50
PGIM Total Return Bond	74440B884	0.000	1/31/2020	N/A	19.119	281.81	0.00	281.81
Vanguard Short Term	922031836	0.000	1/31/2020	N/A	8.369	90.39	0.00	90.39
<b>Sub Total / Average Buy</b>					<b>53.174</b>	<b>643.70</b>	<b>0.00</b>	<b>643.70</b>
<b>Dividend</b>								
Pimco Total Return Fund	693390700	0.000	1/31/2020	N/A	0.00	0.00	271.50	271.50
PGIM Total Return Bond	74440B884	0.000	1/31/2020	N/A	0.00	0.00	281.81	281.81
Vanguard Short Term	922031836	0.000	1/31/2020	N/A	0.00	0.00	90.39	90.39
<b>Sub Total / Average Dividend</b>					<b>0.00</b>	<b>0.00</b>	<b>643.70</b>	<b>643.70</b>
<b>Interest</b>								
US Bank PARS - OPEB Trust MM	MM4900	0.000	1/31/2020	N/A	0.00	0.00	0.01	0.01
US Bank PARS - OPEB Trust MM	MM4900	0.000	1/31/2020	N/A	0.00	0.00	28.66	28.66
<b>Sub Total / Average Interest</b>					<b>0.00</b>	<b>0.00</b>	<b>28.67</b>	<b>28.67</b>

Mesa Water District  
 Transactions Summary  
 Monthly Treasurer's Status Report - Investment Activity  
 Group By: Action  
 Portfolio / Report Group: PARS Pension Trust  
 Begin Date: 12/31/2019, End Date: 01/31/2020

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
<b>Dividend</b>								
Pimco Total Return Fund	693390700	0.000	1/31/2020	N/A	0.00	0.00	2,531.21	2,531.21
PGIM Total Return Bond	74440B884	0.000	1/31/2020	N/A	0.00	0.00	2,633.11	2,633.11
Vanguard Short Term	922031836	0.000	1/31/2020	N/A	0.00	0.00	847.00	847.00
<b>Sub Total / Average Dividend</b>					<b>0.00</b>	<b>0.00</b>	<b>6,011.32</b>	<b>6,011.32</b>
<b>Interest</b>								
US Bank PARS - Pension Trust MM	MM4901	0.000	1/31/2020	N/A	0.00	0.00	326.92	326.92
US Bank PARS - Pension Trust MM	MM4901	0.000	1/31/2020	N/A	0.00	0.00	3.55	3.55
<b>Sub Total / Average Interest</b>					<b>0.00</b>	<b>0.00</b>	<b>330.47</b>	<b>330.47</b>

**Mesa Water District**  
**Quarterly Treasurer's Report on Investments**  
**As of 12/31/2019**



Investments are in compliance with the Investment Policy adopted as Resolution 1506 of the Mesa Water District Board of Directors. The liquidity of investments will meet cash flow needs for the next six months except under unforeseen catastrophic circumstances.

Investments	Maturity Date	Days to Maturity	Yield to Maturity @ Cost	Cost Value	% of Portfolio	Policy % Limit	Market Value	Interest Year to Date	Notes
Local Agency Investment Fund (LAIF)	Liquid	1	2.04%	1,061.98	0.00%	No Limit	1,061.98	6.50	1,4
Orange County Investment Pool (OCIP)	Liquid	1	201.40%	3,730,626.62	10.92%	No Limit	3,730,626.62	13,552.30	1,6
Miscellaneous (Petty Cash, Emergency Cash, etc.)	Liquid	1	0.00%	4,500.00	0.01%	N/A	4,500.00	0.00	
Union Bank Custody Account									2,5
Negotiable CD	Various	1069	2.04%	9,304,787.50	27.41%	30.00%	9,365,486.71	31,301.29	
US Agency	Various	705	1.73%	12,624,793.50	37.01%	No Limit	12,646,378.00	64,666.53	
<b>Sub Total / Average</b>				21,929,581.00			22,011,864.71	95,967.82	
Union Bank Accounts	Liquid	1	0.45%	8,422,937.79	24.65%	No Limit	8,422,937.79	0.00	1,3
<b>Total   Average</b>		<b>554</b>	<b>1.53%</b>	<b>\$34,088,707.39</b>	<b>100.00%</b>		<b>\$34,170,991.10</b>	<b>\$109,526.62</b>	

PARS OPEB & Pension Trust	1 Month Rate of Return	3 Month Rate of Return	Cost Value	Market Value
Public Agency Retirement Services (PARS)				
Capital Appreciation HighMark PLUS Fund				
OPEB	2.50%	6.70%	1,354,960.48	1,516,204.39
Pension Trust	2.47%	6.68%	13,216,535.78	14,238,253.41
			<b>\$ 14,571,496.26</b>	<b>\$ 15,754,457.80</b>

**Sources of Market Value Valuation - Account Statements**

LAIF, OCIP & Union Bank

I certify that this report reflects the cash and investments of Mesa Water District and is in conformity with the Government Code requirements and the District Investment Policy/Guidelines in effect at the time of the investment.

**Local Agency Investment Fund (LAIF)**

District LAIF includes the funds designated for advances; construction, customer deposits, working capital cash and monies to pay COP principal/interest payments.

Marwan Khalifa, CPA, MBA, - District Treasurer

**Weighted Average Return | 1.53%**

Benchmark: 3 Month Treasury Bill - December | 1.57%

**Weighted Average Maturity | 1.5 Years**

Days to Maturity | 554

**PARS OPEB & Pension Trust Benchmark - S & P 500 Index**

1 Month | 3.16 %    3 Month | 10.30 %    1 YEAR | 25.45 %

**Notes**

1. The interest or yield shown is for the current month net of fees.
2. The interest rate (Yield to Maturity @Cost) shown is the guaranteed annual interest rate for the term of the investment.
3. The rate shown is the Earnings Credit Rate. These earnings are applied against bank service charges; no actual monies are received.
4. LAIF general ledger carrying value reflects market value (unrealized gains/losses) only at fiscal year end. LAIF only provides the market value participation factor quarterly. \* The december Fair Value Factor is 1.001642817. The yield earned on the Treasurer's Reports does not reflect change in fair market value.
5. Union Bank Custody Account general ledger carrying value reflects market value (unrealized gains/losses). The Yield earned does not reflect change in fair market value.
6. Orange County Investment Pool - December 2019, Net Asset Value is 1.00.

\* LAIF June Fair Value Factor not available at reporting deadline.

Mesa Water District  
 Portfolio Holdings  
 Certificate of Participation Investments  
 Report Format: By Transaction  
 Group By: Portfolio Name  
 Average By: Market Value  
 Portfolio / Report Group: Report Group: COPS Trust Indentures  
 As of 12/31/2019

Description	CUSIP/Ticker	Asset Category	Coupon Rate	YTM @ Cost	Settlement Date	Maturity Date	Cost Value	Market Value	% of Portfolio
<b>2010 COPS</b>									
US Bank Cash	MM6000	6000 Reserve Fund - Liquid Assets	0.000	0.000	8/31/2015	N/A	0.02	0.02	100.00
<b>Sub Total / Average 2010 COPS</b>			<b>0.000</b>	<b>0.000</b>			<b>0.02</b>	<b>0.02</b>	<b>100.00</b>
<b>Total / Average</b>			<b>0.000</b>	<b>0.000</b>			<b>0.02</b>	<b>0.02</b>	<b>100</b>

Mesa Water District  
Transactions Summary  
Quarterly Treasurer's Status Report - Investment Activity  
Group By: Action  
Portfolio / Report Group: Report Group: Treasurer's Report  
Begin Date: 09/30/2019, End Date: 12/31/2019

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
<b>Buy</b>								
Sallie Mae Bank UT 1.9 10/16/2024	7954504P7	1.900	10/17/2019	10/16/2024	247,000.00	247,000.00	12.86	247,012.86
Celtic Bank UT 1.65 10/23/2024	15118RSV0	1.650	10/23/2019	10/23/2024	249,000.00	249,000.00	0.00	249,000.00
First Keystone Community Bank PA 1.9 10/23/2023-20	32065RAF2	1.900	10/23/2019	10/23/2023	249,000.00	249,000.00	0.00	249,000.00
Parkside Financial Bank MO 1.85 10/23/2024	70147ADG6	1.850	10/23/2019	10/23/2024	249,000.00	249,000.00	0.00	249,000.00
Ally Bank UT 1.85 10/24/2022	02007GML4	1.850	10/24/2019	10/24/2022	247,000.00	247,000.00	0.00	247,000.00
FFCB 2.125 6/5/2023	3133EKP7	1.560	11/8/2019	6/5/2023	500,000.00	509,783.00	4,515.63	514,298.63
FNMA 1.375 9/6/2022	3135G0W33	1.550	11/8/2019	9/6/2022	500,000.00	497,585.00	1,184.03	498,769.03
Enterprise Bank & Trust 1.75 11/8/2023	29367SJR6	1.750	11/8/2019	11/8/2023	249,000.00	249,000.00	0.00	249,000.00
FAMC 2.15 6/5/2024	31422BGA2	1.610	11/8/2019	6/5/2024	500,000.00	511,859.50	4,568.75	516,428.25
Raymond James Bank 1.75 11/8/2023	75472RAH4	1.750	11/8/2019	11/8/2023	247,000.00	247,000.00	0.00	247,000.00
Third Federal Savings 1.75 11/13/2023	88413QCJ5	1.750	11/12/2019	11/13/2023	247,000.00	247,000.00	0.00	247,000.00
Garnett State Bank 1.7 11/19/2024	366526AW1	1.700	11/19/2019	11/19/2024	249,000.00	249,000.00	0.00	249,000.00
Citizens State Bank 1.7 11/22/2024	176688CR8	1.700	11/22/2019	11/22/2024	249,000.00	249,000.00	0.00	249,000.00
Marlin Business Bank UT 1.7 12/4/2023	57116ATG3	1.700	12/2/2019	12/4/2023	249,000.00	249,000.00	0.00	249,000.00
<b>Sub Total / Average Buy</b>					<b>4,231,000.00</b>	<b>4,250,227.50</b>	<b>10,281.27</b>	<b>4,260,508.77</b>
<b>Interest</b>								
Merrick Bank UT 3 7/31/2023	59013J6G9	0.000	10/1/2019	7/31/2023	0.00	0.00	613.97	613.97
Wells Fargo SD 1.6 8/3/2021	9497486Z5	0.000	10/3/2019	8/3/2021	0.00	0.00	324.82	324.82
Amercian Express 2.45 4/5/2022	02587DN38	0.000	10/5/2019	4/5/2022	0.00	0.00	3,034.04	3,034.04
LAIF LGIP	LGIP0012	0.000	10/15/2019	N/A	0.00	0.00	6.50	6.50
Commonwealth Bank & Trust KY 2 9/18/2024	202710AJ8	0.000	10/18/2019	9/18/2024	0.00	0.00	409.32	409.32
Business Bank MO 2 1/20/2022	12325EHH8	0.000	10/20/2019	1/20/2022	0.00	0.00	406.03	406.03
First National Bank MI 2 1/20/2022	32110YJT3	0.000	10/20/2019	1/20/2022	0.00	0.00	330.41	330.41
Eaglebank MD 2.5 5/24/2024	27002YEN2	0.000	10/24/2019	5/24/2024	0.00	0.00	511.64	511.64
FNMA 1 10/24/2019	3135G0R39	0.000	10/24/2019	10/24/2019	0.00	0.00	5,000.00	5,000.00
FNMA 1.35 4/27/2020-17	3136G4FP3	0.000	10/27/2019	4/27/2020	0.00	0.00	1,012.50	1,012.50
Countryside Federal CU NY 1.65 10/28/2021	22239MAL2	0.000	10/28/2019	10/28/2021	0.00	0.00	334.97	334.97
FHLB 1.43 10/29/2019-13	3133813H6	0.000	10/29/2019	10/29/2019	0.00	0.00	1,787.50	1,787.50



Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Orange County Investment Pool LGIP	LGIP9LC	0.000	10/31/2019	N/A	0.00	0.00	7,198.52	7,198.52
Franklin Synergy Bank TN 2 1/31/2022	35471TCV2	0.000	10/31/2019	1/31/2022	0.00	0.00	419.56	419.56
Merrick Bank UT 3 7/31/2023	59013J6G9	0.000	11/1/2019	7/31/2023	0.00	0.00	634.44	634.44
Wells Fargo SD 1.6 8/3/2021	9497486Z5	0.000	11/3/2019	8/3/2021	0.00	0.00	335.65	335.65
FHLB 2 11/10/2021-18	3130A9S44	0.000	11/10/2019	11/10/2021	0.00	0.00	7,500.00	7,500.00
Beneficial Mutual Savings PA 1.55 11/16/2021	08173QBU9	0.000	11/16/2019	11/16/2021	0.00	0.00	1,929.98	1,929.98
Washington TR County 1.45 5/18/2020	940637HX2	0.000	11/18/2019	5/18/2020	0.00	0.00	1,805.47	1,805.47
Commonwealth Bank & Trust KY 2 9/18/2024	202710AJ8	0.000	11/18/2019	9/18/2024	0.00	0.00	422.96	422.96
Business Bank MO 2 1/20/2022	12325EHH8	0.000	11/20/2019	1/20/2022	0.00	0.00	419.56	419.56
First National Bank MI 2 1/20/2022	32110YJT3	0.000	11/20/2019	1/20/2022	0.00	0.00	341.42	341.42
Capital One VA 2.65 5/22/2024	14042RLP4	0.000	11/22/2019	5/22/2024	0.00	0.00	3,286.29	3,286.29
FHLMC 1.65 11/22/2021-17	3134GAUB8	0.000	11/22/2019	11/22/2021	0.00	0.00	8,043.75	8,043.75
Bank of Baroda 1.85 11/23/2021	06062QXG4	0.000	11/23/2019	11/23/2021	0.00	0.00	2,303.53	2,303.53
Celtic Bank UT 1.65 10/23/2024	15118RSV0	0.000	11/23/2019	10/23/2024	0.00	0.00	348.94	348.94
First Keystone Community Bank PA 1.9 10/23/2023-20	32065RAF2	0.000	11/23/2019	10/23/2023	0.00	0.00	401.81	401.81
Parkside Financial Bank MO 1.85 10/23/2024	70147ADG6	0.000	11/23/2019	10/23/2024	0.00	0.00	391.24	391.24
Eaglebank MD 2.5 5/24/2024	27002YEN2	0.000	11/24/2019	5/24/2024	0.00	0.00	528.70	528.70
Countryside Federal CU NY 1.65 10/28/2021	22239MAL2	0.000	11/28/2019	10/28/2021	0.00	0.00	346.14	346.14
Orange County Investment Pool LGIP	LGIP9LC	0.000	11/30/2019	N/A	0.00	0.00	3,176.89	3,176.89
Franklin Synergy Bank TN 2 1/31/2022	35471TCV2	0.000	11/30/2019	1/31/2022	0.00	0.00	406.03	406.03
FFCB 1.625 12/1/2020-16	3133EGCP8	0.000	12/1/2019	12/1/2020	0.00	0.00	5,687.50	5,687.50
Merrick Bank UT 3 7/31/2023	59013J6G9	0.000	12/1/2019	7/31/2023	0.00	0.00	613.97	613.97
Wells Fargo SD 1.6 8/3/2021	9497486Z5	0.000	12/3/2019	8/3/2021	0.00	0.00	324.82	324.82
FFCB 2.125 6/5/2023	3133EKPT7	0.000	12/5/2019	6/5/2023	0.00	0.00	5,312.50	5,312.50
FAMC 2.15 6/5/2024	31422BGA2	0.000	12/5/2019	6/5/2024	0.00	0.00	5,375.00	5,375.00
Enterprise Bank & Trust 1.75 11/8/2023	29367SJR6	0.000	12/8/2019	11/8/2023	0.00	0.00	358.15	358.15
FHLB 3 12/9/2022	3130AFE78	0.000	12/9/2019	12/9/2022	0.00	0.00	15,000.00	15,000.00
FHLB 1.4 12/13/2019-13	313381HA6	0.000	12/13/2019	12/13/2019	0.00	0.00	1,400.00	1,400.00
Commonwealth Bank & Trust KY 2 9/18/2024	202710AJ8	0.000	12/18/2019	9/18/2024	0.00	0.00	409.32	409.32
Garnett State Bank 1.7 11/19/2024	366526AW1	0.000	12/19/2019	11/19/2024	0.00	0.00	347.92	347.92
Business Bank MO 2 1/20/2022	12325EHH8	0.000	12/20/2019	1/20/2022	0.00	0.00	406.03	406.03
First National Bank MI 2 1/20/2022	32110YJT3	0.000	12/20/2019	1/20/2022	0.00	0.00	330.41	330.41
HSBC Bank VA 1.5 12/21/2020-19	40434YCS4	0.000	12/21/2019	12/21/2020	0.00	0.00	736.73	736.73
Citizens State Bank 1.7 11/22/2024	176688CR8	0.000	12/22/2019	11/22/2024	0.00	0.00	347.92	347.92
Celtic Bank UT 1.65 10/23/2024	15118RSV0	0.000	12/23/2019	10/23/2024	0.00	0.00	337.68	337.68
First Keystone Community Bank PA 1.9 10/23/2023-20	32065RAF2	0.000	12/23/2019	10/23/2023	0.00	0.00	388.85	388.85

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Parkside Financial Bank MO 1.85 10/23/2024	70147ADG6	0.000	12/23/2019	10/23/2024	0.00	0.00	378.62	378.62
Eaglebank MD 2.5 5/24/2024	27002YEN2	0.000	12/24/2019	5/24/2024	0.00	0.00	511.64	511.64
BMW Bank UT 2.1 6/26/2020	05580ACB8	0.000	12/26/2019	6/26/2020	0.00	0.00	2,600.61	2,600.61
Countryside Federal CU NY 1.65 10/28/2021	22239MAL2	0.000	12/28/2019	10/28/2021	0.00	0.00	334.97	334.97
First Technology CU CA 1.75 6/30/2021	33715LAD2	0.000	12/30/2019	6/30/2021	0.00	0.00	2,167.17	2,167.17
Orange County Investment Pool LGIP	LGIP9LC	0.000	12/31/2019	N/A	0.00	0.00	3,176.89	3,176.89
Franklin Synergy Bank TN 2 1/31/2022	35471TCV2	0.000	12/31/2019	1/31/2022	0.00	0.00	419.56	419.56
<b>Sub Total / Average Interest</b>					<b>0.00</b>	<b>0.00</b>	<b>100,978.84</b>	<b>100,978.84</b>
<b>Matured</b>								
FNMA 1 10/24/2019	3135G0R39	0.000	10/24/2019	10/24/2019	1,000,000.00	1,000,000.00	0.00	1,000,000.00
FHLB 1.43 10/29/2019-13	3133813H6	0.000	10/29/2019	10/29/2019	250,000.00	250,000.00	0.00	250,000.00
FHLB 1.4 12/13/2019-13	313381HA6	0.000	12/13/2019	12/13/2019	200,000.00	200,000.00	0.00	200,000.00
<b>Sub Total / Average Matured</b>					<b>1,450,000.00</b>	<b>1,450,000.00</b>	<b>0.00</b>	<b>1,450,000.00</b>
<b>Sell</b>								
FFCB 1.42 1/12/2021-16	3133EGLH6	0.000	11/8/2019	1/12/2021	1,000,000.00	996,350.00	4,575.56	1,000,925.56
FNMA 1.625 8/10/2021-16	3136G3N76	0.000	11/8/2019	8/10/2021	1,000,000.00	997,300.00	3,972.22	1,001,272.22
<b>Sub Total / Average Sell</b>					<b>2,000,000.00</b>	<b>1,993,650.00</b>	<b>8,547.78</b>	<b>2,002,197.78</b>

Mesa Water District  
Portfolio Holdings  
Investment Report | PARS Trust  
Report Format: By CUSIP / Ticker  
Group By: Portfolio Name  
Average By: Market Value  
Portfolio / Report Group: Report Group: PARS Trust  
As of 12/31/2019

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
<b>PARS OPEB Trust</b>					
Columbia Contrarian Fund	19766M709	Mutual Fund	3,439.86	80,385.60	94,354.87
DFA Large Cap	233203868	Mutual Fund	2,841.16	60,001.43	67,249.81
Dodge & Cox International	256206103	Mutual Fund	980.66	39,216.88	42,755.92
Dodge & Cox Stock Fund	256219106	Mutual Fund	572.80	105,212.60	110,986.12
Doubeline Core Fix Income	258620301	Mutual Fund	9,573.96	104,443.62	105,983.64
Harbor Capital Appreciation	411512528	Mutual Fund	730.02	48,705.17	55,262.76
Hartford Schroders	41665X859	Mutual Fund	4,712.80	71,121.39	78,138.40
iShares Russell Mid Cap	464287499	Mutual Fund	1,489.00	41,762.23	88,774.18
iShares SP500	464287408	Mutual Fund	290.00	37,718.76	37,726.10
MFS International	552746356	Mutual Fund	1,155.88	33,016.17	42,882.74
PGIM Total Return Bond	74440B884	Mutual Fund	7,392.63	107,735.85	106,601.22
Pimco Total Return Fund	693390700	Mutual Fund	10,312.79	106,862.90	106,634.42
Price T Rowe Growth	741479406	Mutual Fund	754.47	45,489.26	55,371.28
Undiscovered	904504479	Mutual Fund	1,242.70	77,531.16	78,054.80
US Bank PARS - OPEB Trust MM	MM4900	Money Market	19,106.37	19,106.37	19,106.37
Vanguard Growth & Income	921913208	Mutual Fund	2,888.59	205,531.12	245,039.93
Vanguard Real Estate	922908553	Mutual Fund	674.00	57,774.74	62,540.46
Vanguard Short Term	922031836	Mutual Fund	3,731.81	39,084.25	40,042.31
Victory RS	92647Q363	Mutual Fund	968.72	74,260.98	78,699.06
<b>Sub Total / Average PARS OPEB Trust</b>			<b>72,858.22</b>	<b>1,354,960.48</b>	<b>1,516,204.39</b>

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
<b>PARS Pension Trust</b>					
Columbia Contrarian Fund	19766M709	Mutual Fund	32,301.58	835,931.26	886,032.05
DFA Large Cap	233203868	Mutual Fund	26,681.26	561,434.20	631,545.47
Dodge & Cox International	256206103	Mutual Fund	9,209.11	409,869.82	401,517.69
Dodge & Cox Stock Fund	256219106	Mutual Fund	5,379.18	1,067,603.04	1,042,270.31
Doubeline Core Fix Income	258620301	Mutual Fund	89,908.68	977,934.06	995,288.88
Harbor Capital Appreciation	411512528	Mutual Fund	6,855.65	496,413.69	518,972.40
Hartford Schroders	41665X859	Mutual Fund	43,252.42	650,866.44	717,125.18
iShares Russell Mid Cap	464287499	Mutual Fund	13,986.00	387,809.79	833,845.32
iShares SP500	464287408	Mutual Fund	2,729.00	354,946.57	355,015.61
MFS International	552746356	Mutual Fund	10,854.53	359,147.79	402,703.24
PGIM Total Return Bond	74440B884	Mutual Fund	69,076.39	1,002,160.73	996,081.61
Pimco Total Return Fund	693390700	Mutual Fund	96,145.91	984,602.04	994,148.71
Price T Rowe Growth	741479406	Mutual Fund	7,085.32	469,622.58	519,991.93
Undiscovered	904504479	Mutual Fund	11,670.87	768,560.27	733,046.84
US Bank PARS - Pension Trust MM	MM4901	Money Market	207,205.30	207,205.30	207,205.30
Vanguard Growth & Income	921913208	Mutual Fund	27,126.72	2,088,350.80	2,301,158.38
Vanguard Real Estate	922908553	Mutual Fund	6,338.00	533,255.47	588,103.02
Vanguard Short Term	922031836	Mutual Fund	34,960.58	365,032.65	375,126.99
Victory RS	92647Q363	Mutual Fund	9,097.41	695,789.28	739,074.48
<b>Sub Total / Average PARS Pension Trust</b>			<b>709,863.91</b>	<b>13,216,535.78</b>	<b>14,238,253.41</b>
<b>Total / Average</b>			<b>782,722.13</b>	<b>14,571,496.26</b>	<b>15,754,457.80</b>

Mesa Water District  
 Transactions Summary  
 Quarterly Treasurer's Status Report - Investment Activity  
 Group By: Action  
 Portfolio / Report Group: PARS OPEB-Trust  
 Begin Date: 09/30/2019, End Date: 12/31/2019

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
<b>Buy</b>								
Pimco Total Return Fund	693390700	0.000	10/31/2019	N/A	24.501	257.75	0.00	257.75
PGIM Total Return Bond	74440B884	0.000	10/31/2019	N/A	17.813	267.55	0.00	267.55
Vanguard Short Term	922031836	0.000	10/31/2019	N/A	8.372	90.00	0.00	90.00
Hartford Schroders	41665X859	0.000	11/27/2019	N/A	1,170.505	18,739.78	0.00	18,739.78
DFA Large Cap	233203868	0.000	11/27/2019	N/A	231.256	5,381.33	0.00	5,381.33
Undiscovered	904504479	0.000	11/27/2019	N/A	85.883	5,530.84	0.00	5,530.84
Pimco Total Return Fund	693390700	0.000	11/27/2019	N/A	356.438	3,728.34	0.00	3,728.34
PGIM Total Return Bond	74440B884	0.000	11/27/2019	N/A	240.726	3,610.89	0.00	3,610.89
Vanguard Short Term	922031836	0.000	11/27/2019	N/A	124.573	1,336.67	0.00	1,336.67
Victory RS	92647Q363	0.000	11/27/2019	N/A	29.408	2,514.69	0.00	2,514.69
Doubeline Core Fix Income	258620301	0.000	11/27/2019	N/A	393.747	4,374.53	0.00	4,374.53
Pimco Total Return Fund	693390700	0.000	11/30/2019	N/A	25.609	267.61	0.00	267.61
PGIM Total Return Bond	74440B884	0.000	11/30/2019	N/A	18.308	274.44	0.00	274.44
Vanguard Short Term	922031836	0.000	11/30/2019	N/A	8.438	90.54	0.00	90.54
Pimco Total Return Fund	693390700	0.000	12/1/2019	N/A	27.637	285.77	0.00	285.77
PGIM Total Return Bond	74440B884	0.000	12/1/2019	N/A	18.997	273.93	0.00	273.93
Vanguard Short Term	922031836	0.000	12/1/2019	N/A	9.028	96.87	0.00	96.87
Vanguard Real Estate	922908553	0.000	12/2/2019	N/A	23.00	2,147.31	0.00	2,147.31
Columbia Contrarian Fund	19766M709	0.000	12/11/2019	N/A	200.387	5,292.23	0.00	5,292.23
Pimco Total Return Fund	693390700	0.000	12/11/2019	N/A	8.049	84.11	0.00	84.11
MFS International	552746356	0.000	12/13/2019	N/A	17.586	639.24	0.00	639.24
Undiscovered	904504479	0.000	12/16/2019	N/A	50.093	3,141.35	0.00	3,141.35
Price T Rowe Growth	741479406	0.000	12/16/2019	N/A	17.336	1,241.27	0.00	1,241.27
Harbor Capital Appreciation	411512528	0.000	12/16/2019	N/A	72.01	5,368.36	0.00	5,368.36
Vanguard Growth & Income	921913208	0.000	12/18/2019	N/A	99.587	8,349.38	0.00	8,349.38
PGIM Total Return Bond	74440B884	0.000	12/18/2019	N/A	242.695	3,502.09	0.00	3,502.09
Undiscovered	904504479	0.000	12/19/2019	N/A	11.162	701.41	0.00	701.41
Dodge & Cox International	256206103	0.000	12/19/2019	N/A	37.979	1,650.93	0.00	1,650.93
Dodge & Cox Stock Fund	256219106	0.000	12/20/2019	N/A	38.529	7,389.15	0.00	7,389.15
iShares SP500	464287408	0.000	12/23/2019	N/A	290.00	37,718.76	0.00	37,718.76
Vanguard Real Estate	922908553	0.000	12/23/2019	N/A	28.00	2,556.07	0.00	2,556.07

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
DFA Large Cap	233203868	0.000	12/23/2019	N/A	13.648	321.95	0.00	321.95
Pimco Total Return Fund	693390700	0.000	12/23/2019	N/A	264.388	2,741.70	0.00	2,741.70
PGIM Total Return Bond	74440B884	0.000	12/23/2019	N/A	18.815	270.94	0.00	270.94
PGIM Total Return Bond	74440B884	0.000	12/23/2019	N/A	158.406	2,281.05	0.00	2,281.05
Vanguard Short Term	922031836	0.000	12/23/2019	N/A	72.021	771.35	0.00	771.35
Victory RS	92647Q363	0.000	12/23/2019	N/A	67.156	5,447.69	0.00	5,447.69
Doubline Core Fix Income	258620301	0.000	12/23/2019	N/A	206.277	2,287.61	0.00	2,287.61
iShares Russell Mid Cap	464287499	0.000	12/23/2019	N/A	9.00	536.45	0.00	536.45
Pimco Total Return Fund	693390700	0.000	12/26/2019	N/A	47.072	486.72	0.00	486.72
Hartford Schroders	41665X859	0.000	12/27/2019	N/A	107.081	1,780.75	0.00	1,780.75
<b>Sub Total / Average Buy</b>					<b>4,891.516</b>	<b>143,829.40</b>	<b>0.00</b>	<b>143,829.40</b>

**Dividend**

Doubline Core Fix Income	258620301	0.000	10/2/2019	N/A	0.00	0.00	286.66	286.66
Pimco Total Return Fund	693390700	0.000	10/31/2019	N/A	0.00	0.00	257.75	257.75
PGIM Total Return Bond	74440B884	0.000	10/31/2019	N/A	0.00	0.00	267.55	267.55
Vanguard Short Term	922031836	0.000	10/31/2019	N/A	0.00	0.00	90.00	90.00
Doubline Core Fix Income	258620301	0.000	11/4/2019	N/A	0.00	0.00	275.73	275.73
Pimco Total Return Fund	693390700	0.000	11/30/2019	N/A	0.00	0.00	267.61	267.61
PGIM Total Return Bond	74440B884	0.000	11/30/2019	N/A	0.00	0.00	274.44	274.44
Vanguard Short Term	922031836	0.000	11/30/2019	N/A	0.00	0.00	90.54	90.54
Pimco Total Return Fund	693390700	0.000	12/1/2019	N/A	0.00	0.00	285.77	285.77
PGIM Total Return Bond	74440B884	0.000	12/1/2019	N/A	0.00	0.00	273.93	273.93
Vanguard Short Term	922031836	0.000	12/1/2019	N/A	0.00	0.00	96.87	96.87
Doubline Core Fix Income	258620301	0.000	12/3/2019	N/A	0.00	0.00	273.40	273.40
Columbia Contrarian Fund	19766M709	0.000	12/11/2019	N/A	0.00	0.00	1,065.37	1,065.37
MFS International	552746356	0.000	12/13/2019	N/A	0.00	0.00	437.07	437.07
Price T Rowe Growth	741479406	0.000	12/16/2019	N/A	0.00	0.00	208.32	208.32
Harbor Capital Appreciation	411512528	0.000	12/16/2019	N/A	0.00	0.00	91.48	91.48
DFA Large Cap	233203868	0.000	12/17/2019	N/A	0.00	0.00	418.81	418.81
Vanguard Growth & Income	921913208	0.000	12/18/2019	N/A	0.00	0.00	2,358.28	2,358.28
Undiscovered	904504479	0.000	12/19/2019	N/A	0.00	0.00	701.41	701.41
Dodge & Cox International	256206103	0.000	12/19/2019	N/A	0.00	0.00	1,650.93	1,650.93
Dodge & Cox Stock Fund	256219106	0.000	12/20/2019	N/A	0.00	0.00	464.85	464.85
iShares Russell Mid Cap	464287499	0.000	12/20/2019	N/A	0.00	0.00	390.70	390.70
Vanguard Real Estate	922908553	0.000	12/23/2019	N/A	0.00	0.00	618.16	618.16
PGIM Total Return Bond	74440B884	0.000	12/23/2019	N/A	0.00	0.00	270.94	270.94
Pimco Total Return Fund	693390700	0.000	12/26/2019	N/A	0.00	0.00	486.72	486.72
Hartford Schroders	41665X859	0.000	12/27/2019	N/A	0.00	0.00	1,780.75	1,780.75

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Doubeline Core Fix Income	258620301	0.000	12/31/2019	N/A	0.00	0.00	338.22	338.22
<b>Sub Total / Average Dividend</b>					<b>0.00</b>	<b>0.00</b>	<b>14,022.26</b>	<b>14,022.26</b>
<b>Interest</b>								
US Bank PARS - OPEB Trust MM	MM4900	0.000	10/31/2019	N/A	0.00	0.00	86.36	86.36
US Bank PARS - OPEB Trust MM	MM4900	0.000	10/31/2019	N/A	0.00	0.00	0.01	0.01
US Bank PARS - OPEB Trust MM	MM4900	0.000	11/30/2019	N/A	0.00	0.00	80.05	80.05
US Bank PARS - OPEB Trust MM	MM4900	0.000	12/31/2019	N/A	0.00	0.00	65.05	65.05
US Bank PARS - OPEB Trust MM	MM4900	0.000	12/31/2019	N/A	0.00	0.00	0.01	0.01
<b>Sub Total / Average Interest</b>					<b>0.00</b>	<b>0.00</b>	<b>231.48</b>	<b>231.48</b>
<b>Sell</b>								
Vanguard Growth & Income	921913208	0.000	11/27/2019	N/A	20.775	1,779.59	0.00	1,779.59
Dodge & Cox Stock Fund	256219106	0.000	11/27/2019	N/A	11.137	2,223.39	0.00	2,223.39
Columbia Contrarian Fund	19766M709	0.000	11/27/2019	N/A	8.497	239.62	0.00	239.62
Dodge & Cox International	256206103	0.000	11/27/2019	N/A	14.456	627.97	0.00	627.97
MFS International	552746356	0.000	11/27/2019	N/A	19.981	731.10	0.00	731.10
Price T Rowe Growth	741479406	0.000	11/27/2019	N/A	15.39	1,130.40	0.00	1,130.40
Harbor Capital Appreciation	411512528	0.000	11/27/2019	N/A	25.145	2,029.96	0.00	2,029.96
iShares Russell Mid Cap	464287499	0.000	12/2/2019	N/A	71.00	3,212.51	0.00	3,212.51
Hartford Schroders	41665X859	0.000	12/23/2019	N/A	167.058	2,823.28	0.00	2,823.28
Vanguard Growth & Income	921913208	0.000	12/23/2019	N/A	20.807	1,761.10	0.00	1,761.10
Undiscovered	904504479	0.000	12/23/2019	N/A	15.533	977.34	0.00	977.34
Dodge & Cox Stock Fund	256219106	0.000	12/23/2019	N/A	102.503	19,859.96	0.00	19,859.96
Columbia Contrarian Fund	19766M709	0.000	12/23/2019	N/A	40.92	1,118.34	0.00	1,118.34
Dodge & Cox International	256206103	0.000	12/23/2019	N/A	21.667	942.51	0.00	942.51
MFS International	552746356	0.000	12/23/2019	N/A	5.554	205.55	0.00	205.55
Price T Rowe Growth	741479406	0.000	12/23/2019	N/A	130.874	9,599.61	0.00	9,599.61
Harbor Capital Appreciation	411512528	0.000	12/23/2019	N/A	132.728	10,035.56	0.00	10,035.56
<b>Sub Total / Average Sell</b>					<b>824.025</b>	<b>59,297.79</b>	<b>0.00</b>	<b>59,297.79</b>

Mesa Water District  
Transactions Summary  
Quarterly Treasurer's Status Report - Investment Activity  
Group By: Action  
Portfolio / Report Group: PARS Pension Trust  
Begin Date: 09/30/2019, End Date: 12/31/2019

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
<b>Buy</b>								
Hartford Schroders	41665X859	0.000	11/27/2019	N/A	10,748.633	172,085.61	0.00	172,085.61
DFA Large Cap	233203868	0.000	11/27/2019	N/A	1,978.688	46,044.06	0.00	46,044.06
Undiscovered	904504479	0.000	11/27/2019	N/A	721.016	46,433.42	0.00	46,433.42
Pimco Total Return Fund	693390700	0.000	11/27/2019	N/A	3,014.347	31,530.07	0.00	31,530.07
PGIM Total Return Bond	74440B884	0.000	11/27/2019	N/A	2,040.043	30,600.65	0.00	30,600.65
Vanguard Short Term	922031836	0.000	11/27/2019	N/A	1,039.93	11,158.45	0.00	11,158.45
Victory RS	92647Q363	0.000	11/27/2019	N/A	218.082	18,648.22	0.00	18,648.22
Doubeline Core Fix Income	258620301	0.000	11/27/2019	N/A	2,984.846	33,161.64	0.00	33,161.64
Vanguard Real Estate	922908553	0.000	12/2/2019	N/A	160.00	14,937.81	0.00	14,937.81
iShares SP500	464287408	0.000	12/23/2019	N/A	2,729.00	354,946.57	0.00	354,946.57
Vanguard Growth & Income	921913208	0.000	12/23/2019	N/A	625.835	52,970.64	0.00	52,970.64
Vanguard Real Estate	922908553	0.000	12/23/2019	N/A	245.00	22,365.64	0.00	22,365.64
DFA Large Cap	233203868	0.000	12/23/2019	N/A	13.186	311.06	0.00	311.06
Undiscovered	904504479	0.000	12/23/2019	N/A	381.008	23,973.03	0.00	23,973.03
Columbia Contrarian Fund	19766M709	0.000	12/23/2019	N/A	1,362.651	37,241.25	0.00	37,241.25
Pimco Total Return Fund	693390700	0.000	12/23/2019	N/A	2,396.816	24,854.98	0.00	24,854.98
Dodge & Cox International	256206103	0.000	12/23/2019	N/A	114.035	4,960.51	0.00	4,960.51
PGIM Total Return Bond	74440B884	0.000	12/23/2019	N/A	3,665.538	52,783.75	0.00	52,783.75
MFS International	552746356	0.000	12/23/2019	N/A	66.414	2,457.99	0.00	2,457.99
Vanguard Short Term	922031836	0.000	12/23/2019	N/A	608.083	6,512.57	0.00	6,512.57
Victory RS	92647Q363	0.000	12/23/2019	N/A	594.004	48,185.62	0.00	48,185.62
Doubeline Core Fix Income	258620301	0.000	12/23/2019	N/A	1,557.938	17,277.53	0.00	17,277.53
iShares Russell Mid Cap	464287499	0.000	12/23/2019	N/A	30.00	1,788.15	0.00	1,788.15
<b>Sub Total / Average Buy</b>					<b>37,295.093</b>	<b>1,055,229.22</b>	<b>0.00</b>	<b>1,055,229.22</b>
<b>Dividend</b>								
Doubeline Core Fix Income	258620301	0.000	10/2/2019	N/A	0.00	0.00	2,726.94	2,726.94
Pimco Total Return Fund	693390700	0.000	10/31/2019	N/A	0.00	0.00	2,446.44	2,446.44
PGIM Total Return Bond	74440B884	0.000	10/31/2019	N/A	0.00	0.00	2,539.32	2,539.32
Vanguard Short Term	922031836	0.000	10/31/2019	N/A	0.00	0.00	854.38	854.38
Doubeline Core Fix Income	258620301	0.000	11/4/2019	N/A	0.00	0.00	2,622.90	2,622.90



Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Pimco Total Return Fund	693390700	0.000	11/30/2019	N/A	0.00	0.00	2,532.89	2,532.89
PGIM Total Return Bond	74440B884	0.000	11/30/2019	N/A	0.00	0.00	2,597.85	2,597.85
Vanguard Short Term	922031836	0.000	11/30/2019	N/A	0.00	0.00	857.17	857.17
PGIM Total Return Bond	74440B884	0.000	12/1/2019	N/A	0.00	0.00	2,554.73	2,554.73
Vanguard Short Term	922031836	0.000	12/1/2019	N/A	0.00	0.00	911.03	911.03
Doubeline Core Fix Income	258620301	0.000	12/3/2019	N/A	0.00	0.00	2,578.52	2,578.52
Columbia Contrarian Fund	19766M709	0.000	12/11/2019	N/A	0.00	0.00	10,048.03	10,048.03
MFS International	552746356	0.000	12/13/2019	N/A	0.00	0.00	4,122.35	4,122.35
Price T Rowe Growth	741479406	0.000	12/16/2019	N/A	0.00	0.00	1,964.82	1,964.82
DFA Large Cap	233203868	0.000	12/17/2019	N/A	0.00	0.00	3,950.08	3,950.08
Harbor Capital Appreciation	411512528	0.000	12/17/2019	N/A	0.00	0.00	862.80	862.80
Vanguard Growth & Income	921913208	0.000	12/18/2019	N/A	0.00	0.00	22,242.18	22,242.18
Undiscovered	904504479	0.000	12/20/2019	N/A	0.00	0.00	6,349.87	6,349.87
Dodge & Cox Stock Fund	256219106	0.000	12/20/2019	N/A	0.00	0.00	4,384.21	4,384.21
Dodge & Cox International	256206103	0.000	12/20/2019	N/A	0.00	0.00	15,570.79	15,570.79
iShares Russell Mid Cap	464287499	0.000	12/20/2019	N/A	0.00	0.00	3,684.20	3,684.20
Vanguard Real Estate	922908553	0.000	12/23/2019	N/A	0.00	0.00	5,830.39	5,830.39
PGIM Total Return Bond	74440B884	0.000	12/27/2019	N/A	0.00	0.00	4,570.78	4,570.78
Hartford Schroders	41665X859	0.000	12/30/2019	N/A	0.00	0.00	16,723.03	16,723.03
Doubeline Core Fix Income	258620301	0.000	12/31/2019	N/A	0.00	0.00	3,176.25	3,176.25
<b>Sub Total / Average Dividend</b>					<b>0.00</b>	<b>0.00</b>	<b>126,701.95</b>	<b>126,701.95</b>

#### Interest

US Bank PARS - Pension Trust MM	MM4901	0.000	10/31/2019	N/A	0.00	0.00	553.68	553.68
US Bank PARS - Pension Trust MM	MM4901	0.000	10/31/2019	N/A	0.00	0.00	0.18	0.18
US Bank PARS - Pension Trust MM	MM4901	0.000	11/30/2019	N/A	0.00	0.00	0.11	0.11
US Bank PARS - Pension Trust MM	MM4901	0.000	11/30/2019	N/A	0.00	0.00	738.86	738.86
US Bank PARS - Pension Trust MM	MM4901	0.000	12/31/2019	N/A	0.00	0.00	2.49	2.49
US Bank PARS - Pension Trust MM	MM4901	0.000	12/31/2019	N/A	0.00	0.00	537.39	537.39
<b>Sub Total / Average Interest</b>					<b>0.00</b>	<b>0.00</b>	<b>1,832.71</b>	<b>1,832.71</b>

#### Sell

Vanguard Growth & Income	921913208	0.000	11/27/2019	N/A	417.201	35,737.44	0.00	35,737.44
Dodge & Cox Stock Fund	256219106	0.000	11/27/2019	N/A	157.487	31,440.70	0.00	31,440.70
Columbia Contrarian Fund	19766M709	0.000	11/27/2019	N/A	333.507	9,404.90	0.00	9,404.90
Dodge & Cox International	256206103	0.000	11/27/2019	N/A	215.204	9,348.46	0.00	9,348.46
MFS International	552746356	0.000	11/27/2019	N/A	282.189	10,325.30	0.00	10,325.30
Price T Rowe Growth	741479406	0.000	11/27/2019	N/A	209.188	15,364.86	0.00	15,364.86
Harbor Capital Appreciation	411512528	0.000	11/27/2019	N/A	295.711	23,872.75	0.00	23,872.75
Hartford Schroders	41665X859	0.000	12/23/2019	N/A	1,763.487	29,802.93	0.00	29,802.93

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Dodge & Cox Stock Fund	256219106	0.000	12/23/2019	N/A	626.586	121,401.04	0.00	121,401.04
Price T Rowe Growth	741479406	0.000	12/23/2019	N/A	1,101.406	80,788.13	0.00	80,788.13
Harbor Capital Appreciation	411512528	0.000	12/23/2019	N/A	602.241	45,535.44	0.00	45,535.44
<b>Sub Total / Average Sell</b>					<b>6,004.207</b>	<b>413,021.95</b>	<b>0.00</b>	<b>413,021.95</b>



## FINANCE COMMITTEE

### Major Staff Projects

Title	Comments	Status
Human Resource Information System/Payroll System	Human Resource Information System/Payroll System	In Process
Invoice Cloud	Invoice Cloud (New Billing System)	In Process



## COMMITTEE POLICY & RESOLUTION REVIEW

### FINANCE COMMITTEE

#### Policy Assignments for 2020

Policy Name	Resolution No.	Date Adopted	Revision Schedule	Last Reviewed
Designated Funds - Financial Policies and Guidelines in Establishing Rates	1443	03/15/14	Review at least once every 5 years  * Scheduled for the 2/24/20 meeting	03/23/17
Capacity Charges	1449	08/14/14	Review and update as needed	08/14/14
Delegation of Authority Relative to Investment of Funds/SIP	1506	12/14/17	Review and update as needed	12/20/18
Disposal of Surplus Property	1513	06/21/18	Review and update as needed	06/21/18
Fees and Charges for Miscellaneous Services	1526	11/25/19	Review at least biennially	11/25/19
Identity Theft Prevention Program	1372	03/24/09	Review and update as needed	03/24/09
Procurement of Goods and Services and Cash Disbursement	1508	01/18/18	Review and update as needed	01/18/18
Selection Process for the Appointment of General Legal Counsel and Independent Auditor	1501	06/08/17	Review and update as needed	06/08/17
Travel and Business Expense Reimbursement	1467	11/16/15	Review and update as needed	03/20/17



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Water Needs

# MEMORANDUM

TO: Finance Committee  
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer  
DATE: February 24, 2020  
SUBJECT: Fiscal Year 2020 Second Quarter Financial Update

## RECOMMENDATION

This item is provided for information.

## STRATEGIC PLAN

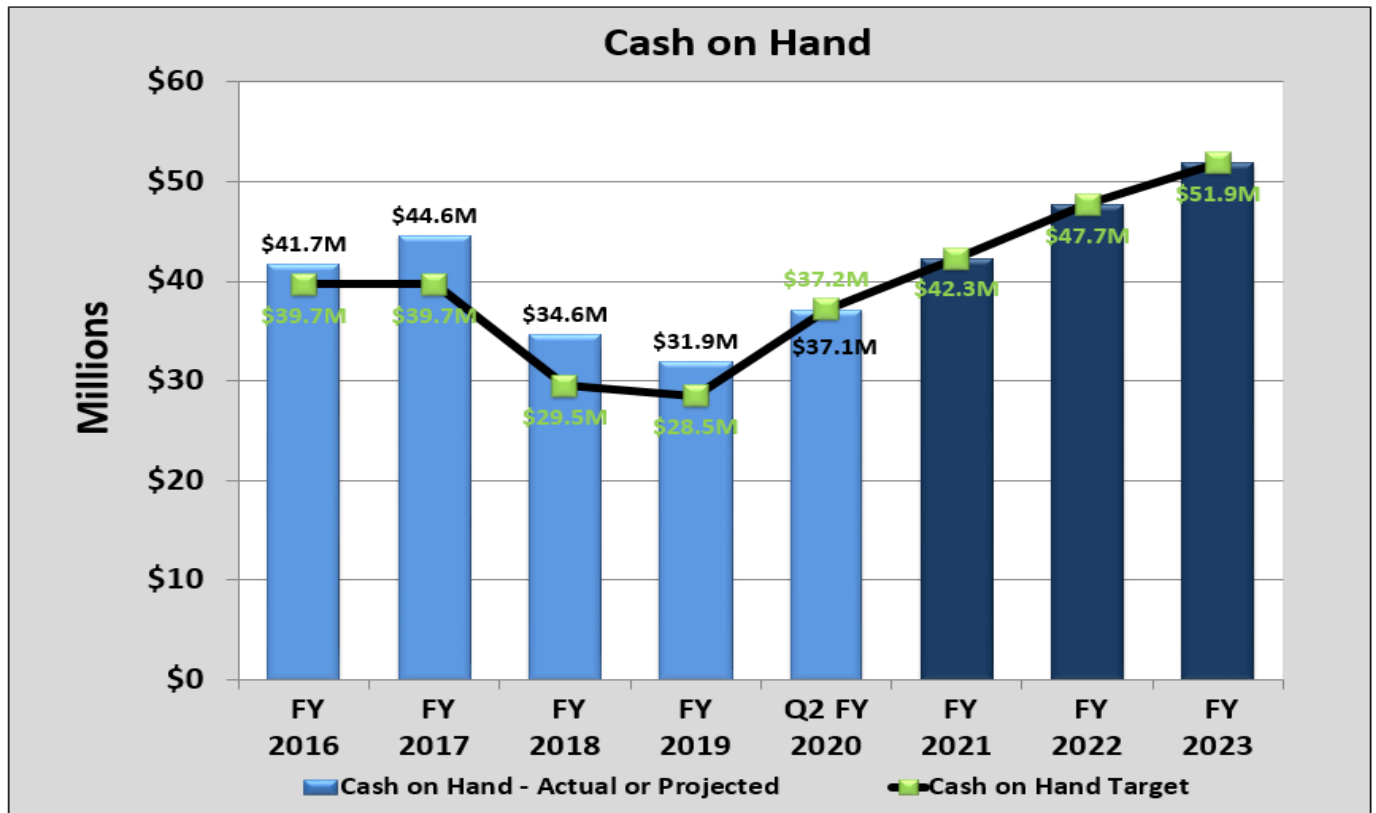
- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.

## PRIOR BOARD ACTION/DISCUSSION

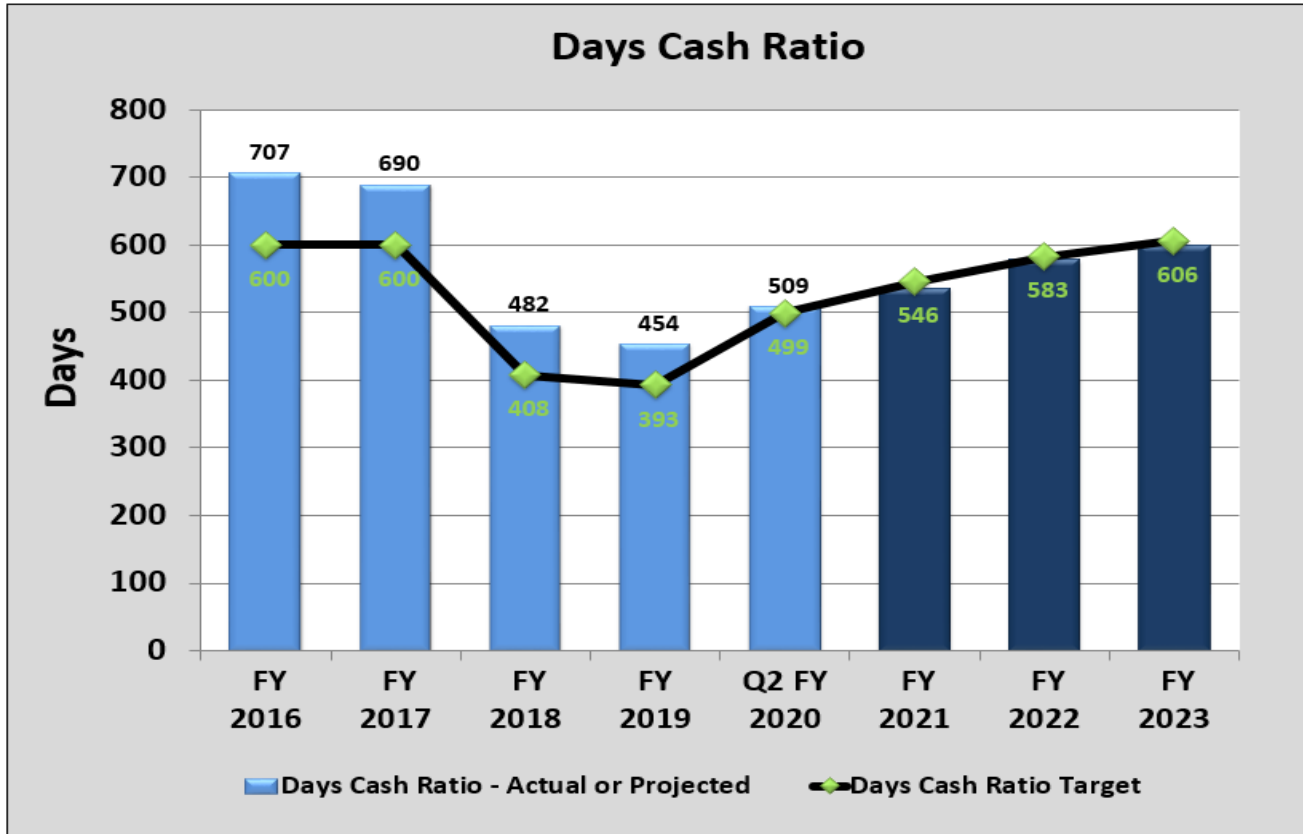
At its May 28, 2019 meeting, the Board of Directors (Board) approved the Fiscal Year (FY) 2020 Budget.

## DISCUSSION

Through the second quarter of FY 2020, Cash on Hand totaled \$37,099,600. As a result, Cash on Hand of \$37,099,600 is below the budgeted year-end cash balance of \$37,200,000.



Additionally, 509 Days Cash is above the budgeted Days Cash estimate of 499 days at year end by 10 days.



The Current Debt Coverage ratio is projected to be 311%, which exceeds both the requirement for the 2017 Revenue Certificates of Participation (COPs) and the Designated Funds Policy. The Debt Coverage ratio goal of the Board is 130% and was established in the Designated Funds Policy.

Water production is below budget through the second quarter by approximately 7% and corresponds with a similar decrease in water revenue through the second quarter of FY 2020.



The mix of water production between clear and basin managed water has varied which is depicted in the table below:

	<b>Acre Feet</b>		<b>Variance</b>
	<b>Budgeted</b>	<b>Actual</b>	
Clear Water	5,761	6,049	(288)
Amber Water	2,101	1,755	373
Basin Managed (CPTP) Water	1,400	879	1,101
In-Lieu Water	-	541	(541)
Total	9,262	8,643	619

Clear and amber water costs have a combined favorable variance of \$40,500 due to production pumping less than budgeted. The total cost of potable water (including CPTP offset) is \$567,240 favorable to budget.

Total operating revenues year-to-date have an unfavorable balance of \$1,148,414 or approximately 5%. This is a result of water consumption being lower than expected. Additionally, operating expenses through the second quarter have a favorable balance of \$993,601 or approximately 7%. This is predominately a result of lower than budgeted water costs due to a decrease in water consumption. As a result, operating income through December 31, 2019 has an unfavorable balance of \$303,052 or approximately 7%.

In addition, non-operating revenue, net of expenses, through the second quarter of FY 2020 has a favorable balance of \$1,180,956 mostly due to investment earnings significantly over-performing.

Overall, the Change in Net Position has an unfavorable balance of \$357,962 or approximately 8% through December 31, 2019.

**ATTACHMENTS**

Attachment A: Statement of Revenues, Expenses, and Changes in Net Position for the Six Months Ended 12/31/2019



## Statement of Revenues, Expenses, and Changes in Net Position For the Six Months Ended 12/31/2019

	FY2020 YTD BUDGET	FY2020 YTD ACTUAL	Variance
<b>OPERATING REVENUES:</b>			
Water consumption sales	\$ 15,397,369	\$ 14,877,178	\$ (520,191)
Monthly meter service charge	3,951,265	3,859,618	(91,647)
Recycled water sales	908,869	705,119	(203,750)
Concession from governmental agencies (CPTP)	607,200	248,112	(359,088)
Other charges and services	199,100	225,362	26,262
<b>TOTAL OPERATING REVENUES</b>	<b>21,063,803</b>	<b>19,915,389</b>	<b>(1,148,414)</b>
<b>OPERATING EXPENSES:</b>			
Imported sources of supply	214,075	226,425	(12,350)
Basin managed water	1,155,000	628,296	526,704
Clear water cost	3,546,926	3,599,385	(52,459)
Amber water cost	1,604,968	1,511,973	92,995
Recycled water	665,065	521,275	143,790
Transmission and distribution	2,715,891	2,591,952	123,939
General and administrative	4,398,294	4,227,312	170,982
<b>TOTAL OPERATING EXPENSES</b>	<b>14,300,219</b>	<b>13,306,618</b>	<b>993,601</b>
<b>OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION:</b>	<b>6,763,584</b>	<b>6,608,771</b>	<b>(154,813)</b>
Depreciation and amortization	(2,625,000)	(2,773,238)	(148,238)
<b>OPERATING INCOME (LOSS)</b>	<b>4,138,584</b>	<b>3,835,532</b>	<b>(303,052)</b>
<b>NONOPERATING REVENUES / (EXPENSES):</b>			
Bond issuance costs	-	-	-
Investment earnings	232,500	1,290,248	1,057,748
Interest expense - long term debt	(426,627)	(426,627)	-
Gain (Loss) on sale/disposition of capital assets, net	-	-	-
Impairment of capital assets & termination of lease	(15,000)	-	15,000
Other non-operating, net	(12,500)	95,708	108,208
<b>NONOPERATING REVENUES / (EXPENSES)</b>	<b>(221,627)</b>	<b>959,329</b>	<b>1,180,956</b>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	<b>3,916,957</b>	<b>4,794,861</b>	<b>877,904</b>
<b>CAPITAL CONTRIBUTIONS:</b>			
Capacity and installation charges	-	(432,420)	(432,420)
Capital Grant (includes LRP)	351,262	263,740	(87,522)
Developers and others	-	-	-
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>351,262</b>	<b>(168,680)</b>	<b>(519,942)</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 4,268,219</b>	<b>\$ 4,626,181</b>	<b>\$ 357,962</b>





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Satisfying our Community's  
Water Needs*

## MEMORANDUM

TO: Finance Committee  
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer  
DATE: February 24, 2020  
SUBJECT: Designated Funds Policy

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### RECOMMENDATION

Recommend that the Board of Directors adopt Resolution No. XXXX Revising the Designated Funds Policy Superseding Resolution No. 1443.

### STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

### PRIOR BOARD ACTION/DISCUSSION

At its February 9, 2010 meeting, the Board of Directors (Board) adopted Resolution No. 1387, Revising Financial Policies and Guidelines in Establishing Rates Superseding Resolution No. 1359 including Exhibit A of the Designated Funds Policy. This Resolution established minimum and maximum funding levels for each of Mesa Water District's (Mesa Water®) funds as listed and described below:

1. Capital Replacement Fund – used for the replacement of capitalized assets when they reach the end of their useful lives.
2. Administrative & General Fund – used to fund (or partially fund) certain major general, administration and overhead projects such as offices, fixtures, furnishings, vehicles and equipment, on a pay-as-you-go basis.
3. Catastrophe Fund – used to begin repair of the water system after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed.
4. Rate Stabilization Fund – established to provide flexibility to the Board when setting rates to allow for absorbing temporary rate fluctuations or for one-time expenditures.
5. Operating Fund – used for unanticipated operating expenses, to maintain working capital for current operations and to meet routine cash flow needs.
6. Customer & Developer Deposits – monies held on behalf of Mesa Water's customers as required for their utility account or as cash bonds for development projects.

The funding Minimums and Maximums methodologies established for each fund by Resolution No. 1387 varied from calculated dollar amounts, days cash ratios, percentage of budgeted General and Administrative amounts, or a percentage of Fixed Assets.

Overall Designated Fund levels were established at a minimum of 280 days with no overall maximum level to retain flexibility as the Capital Replacement Fund's funding requirements may vary.

At its March 15, 2014 meeting, the Board adopted Resolution No. 1443, Designated Funds Policy amending the Designated Funds portion of Resolution No. 1387 Financial Policies and Guidelines for Establishing Rates. This Resolution streamlined and improved calculation methodology to exclusively calculate Designated Funds funding levels in "days" to be internally



consistent, to easily calculate Designated Funds both individually and overall, and to promote clarity and transparency.

Below is a summary of Mesa Water’s Designated Funds calculations approved by the Board in Resolution No. 1443:

Fund Name	Target	Maximum
Administrative and General Fund	20 days	25 days
Catastrophe Fund	150 days	180 days
Rate Stabilization Fund	60 days	75 days
Operating Fund	120 days	150 days

Regarding the Capital Replacement Fund, the resolution did not establish an overall maximum level to retain flexibility as funding requirements may vary. Overall Designated Fund levels were established with a Target Amount of 600 days.

At its March 23, 2017 workshop, the Board received an update on the historical balances of the Designated Funds. The Board received and filed the report without any changes to Resolution No. 1443.

## DISCUSSION

The Designated Funds policy shall be reviewed by the Finance Committee at least once every five years. The policy was last reviewed on March 23, 2017, with no changes being made.

After review of the current Designated Funds Policy no material changes were recommended by staff in updating the Resolution.

The following are proposed minor changes to the existing Designated Funds Policy for consistency and clarification:

**Section 2** – Definitions was expanded to define terms such as Board, Designated Funds, Designated Funds Policy, Mesa Water, Rules and Regulations and State.

**Section 3** – Types of Designated Funds was adjusted to clearly define the different Designated Funds.

Minor revisions and clarifications to terms have been made more consistent. Additional minor grammatical changes were made throughout the Resolution.

## LEGAL REVIEW

Mesa Water’s Legal Counsel – Atkinson, Andelson, Loya, Ruud & Romo – has reviewed the draft resolution and the following is a brief summary of the recommended changes:



- Clarification to fund designations to closer match best practices in financing documents when referencing funds, accounts, and sub-accounts.
- References to some items (like funding levels) did not use consistent terms/references, so we propose the terms “designated funding level” and “maximum funding level” as more consistent terms of use.

#### FINANCIAL IMPACT

None.

#### ATTACHMENTS

Attachment A: Draft Resolution No. XXXX  
Attachment B: Resolution No. 1443, Redline

## RESOLUTION NO. XXXX

### RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS REVISING THE DESIGNATED FUNDS POLICY SUPERSEDING RESOLUTION NO. 1443

WHEREAS, the Mesa Water District (Mesa Water® or District) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, the Board of Directors (Board) of the Mesa Water District previously adopted Resolution No. 1443 adopting Mesa Water's Designated Funds Policy; and

WHEREAS, the Board desires to adopt a revised and updated policy statement, policies and procedures regarding Mesa Water's designated funds as part of policies and procedures affecting the District's funds and finances.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

**Section 1.** This Resolution shall supersede Resolution No. 1443 - Adopting a Designated Funds Policy and revises the specific policy statement, policies and procedures regarding designated funds as set forth in Appendix A and Attachment A, attached hereto and incorporated herein by this reference (collectively, the Designated Funds Policy).

**Section 2.** This Resolution, and the Designated Funds Policy adopted hereby, shall be reviewed by the Finance Committee at least once every five years to, among other considerations, determine if the policies, guidelines and procedures are still relevant and appropriate.

**Section 3.** The revised Designated Funds Policy, as set forth in Attachment A, shall be effective upon approval of this Resolution.

ADOPTED, SIGNED, AND APPROVED this 12<sup>th</sup> day of March 2020 by the following roll call vote:

AYES: DIRECTORS:  
NOES: DIRECTORS:  
ABSENT: DIRECTORS:  
ABSTAIN: DIRECTORS:

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Shawn Dewane  
President, Board of Directors

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Denise Garcia  
District Secretary

DRAFT

## **APPENDIX A**

### **RESOLUTION NO. XXXX**

#### **RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS REVISING THE DESIGNATED FUNDS POLICY SUPERSEDING RESOLUTION NO. 1443**

##### **1. MESA WATER SHALL CONTINUE THE GOAL OF MAINTAINING FINANCIAL STABILITY OVER TIME**

Mesa Water District (Mesa Water® or District) has adopted a goal of maintaining financial stability over time. Financial stability is not only a prudent management goal; it can also minimize financial costs in the long-term (e.g., securing low interest costs on borrowings and avoiding unnecessary borrowing). Above all, financial stability will provide the community with the confidence of knowing a strong, consistent team is managing the utility.

Financial policies and measures will be developed to measure, manage, achieve and maintain financial stability.

##### **1.1 DESIGNATED FUNDS**

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Mesa Water will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. Designated Funds (as defined in Attachment A) will be accumulated and maintained to allow Mesa Water to fund expenditures in a manner consistent with the District's Water System Master Plan, and avoid significant rate fluctuations due to changes in cash flow requirements.

The Board of Directors (Board) may designate specific fund accounts and maintain target fund balances consistent with statutory obligations that the Board has determined to be in the best interests of Mesa Water. The Designated Funds Policy directives are intended to ensure Mesa Water has, and will have, sufficient financial resources and Designated Funds to meet current and future needs. The Board will review the level of Designated Funds on a periodic basis as set out in the Designated Funds Policy.

## **1.2 DESIGNATED FUNDS TARGET**

1.2.1 Mesa Water will maintain sufficient reserves, and of such a nature, that it strives to target designated fund balances totaling 600 days of budgeted operating expenses as defined by the Designated Funds Policy.

## **1.3 CASH FLOW**

1.3.1 At the end of a fiscal year, Mesa Water should strive to have total revenues, less operation and maintenance expenses, debt service and capital projects funded from rates, greater than or equal to zero.

## **1.4 TARGET DEBT SERVICE COVERAGE:**

1.4.1 Mesa Water will strive to maintain an actual debt service coverage ratio of 1.30 on all outstanding debt service. (Industry norm for revenue bond coverage ratio covenants is 1.25. Mesa Water's certificates of participation covenant coverage ratios of 1.15).

1.4.2 The debt service coverage ratio will be calculated at fiscal year-end and reviewed by Mesa Water's independent external auditor. The calculation and the auditor's opinion will be included in Mesa Water's Comprehensive Annual Financial Report.

1.4.3 Mesa Water's annual budget will be prepared so as to have an annual debt service coverage ratio greater than or equal to 1.50 on all outstanding debt that includes a contractual coverage ratio covenant.

1.4.4 The Board will review Mesa Water's projected debt service coverage ratio prior to the adoption of each annual budget.

**ATTACHMENT A**

**RESOLUTION NO. XXXX**

**RESOLUTION OF THE  
MESA WATER DISTRICT BOARD OF DIRECTORS  
REVISING THE DESIGNATED FUNDS POLICY  
SUPERSEDING RESOLUTION NO. 1443**

**Mesa Water District's  
Designated Funds Policy**

March 2020

**DRAFT**





**MesaWater**  
DISTRICT

**DESIGNATED FUNDS POLICY**

March 2020

## **1. Policy Statement**

The principal purpose of this Policy is to provide a written statement of the Board of Directors (Board) as to Mesa Water District's (Mesa Water® or District) Designated Funds including, but not limited to, their designation, purpose(s), designated funding levels, usage and procedures related thereto.

A key element of prudent financial planning for public agencies is to ensure that sufficient funding is available for current and on-going operating, capital and debt service needs. Additionally, fiscal responsibility requires anticipating the possibility of, and preparing for, unforeseen events which result in fiscal consequences.

Mesa Water will at all times retain the goal of having sufficient funding available to meet its on-going operating, capital and debt service financial obligations. Designated Funds will be accumulated, held, maintained and monitored pursuant to this Policy to allow Mesa Water to fully meet expenditure requirements and obligations in a manner consistent with its Water System Master Plan and avoid significant rate fluctuations due to changes in revenue receipts and cash flow requirements.

The Board may designate specific funds/accounts and designated fund balances for the Designated Funds consistent with applicable statutory provisions, and levels that the Board has determined to be in the best interests of Mesa Water.

The directives outlined in this Policy are intended to help ensure that Mesa Water has, and will have, sufficient funds to meet current and future fiscal needs, requirements and/or obligations. The Board will review the designated funding levels of the various Designated Funds on a periodic basis.

## **2. Definitions**

Unless otherwise defined herein, or unless the context requires otherwise, the following terms shall have the following meaning(s) for purposes of this Policy:

- Board – means the Board of Directors of Mesa Water District.
- Designated Funds – means those funds, accounts and/or sub-accounts created or held on behalf of Mesa Water which are subject to this Policy and are further set out in Sections 3 and 5 hereof.
- Designated Funds Policy or Policy – shall mean this Mesa Water District Designated Funds Policy as adopted and as amended from time to time.
- Mesa Water or District – means Mesa Water District, a county water district organized and operating pursuant to State law.
- Rules and Regulations – means the Rules and Regulations for Water Service as adopted by the Board and as amended from time to time.
- State – means the State of California.

Capitalized terms used herein and not otherwise defined shall have the meaning(s) ascribed thereto in the Rules and Regulations.

### **3. Types of Designated Funds**

There shall be three types of Designated Funds, which are defined and described below:

- I. **RESTRICTED FUNDS:** Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws and/or regulations.
- II. **CAPITAL FUNDS:** Established by action of the Board and designated for specific purposes. These funds are utilized primarily to fund capital and asset replacement costs.
- III. **LIQUIDITY FUNDS:** Established by action of the Board to safeguard the financial viability and stability of Mesa Water and, absent specific directives of the Board, shall be funded from accumulated revenues.

### **4. General Provisions**

Mesa Water will maintain its Liquidity and Capital Funds in designated funds or accounts in a manner that ensures its financial soundness and provides transparency to its customers. The targeted level(s) of Fund balances are considered the minimum necessary to maintain the District's credit worthiness and adequately provide for:

- Compliance with applicable statutory requirements;
- Financing of future capital facilities and repair and replacement of existing capital assets;
- Cash flow requirements;
- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy; and/or
- Contingencies or unforeseen operating or capital needs.

In the context of funding future capital facilities and maintaining and replacing existing capital assets, in each instance, Mesa Water will analyze the benefits and tradeoffs of utilizing pay-as-you-go funding and/or debt financing and determine the optimal funding strategy or combination of funding strategies. The analysis should consider Mesa Water's current and projected liquidity and capital positions, as well as the impact of projected inflation, the cost(s) of water and other factors on the operations of the District and its capital improvement and replacement program.

Through a variety of policy documents and plans, including, but not limited to, Mesa Water's Asset Management Plan, Capital Improvement Plan, Water System Master Plan and Strategic Plan, the Board has set forth a number of long-term goals for the District. A fundamental purpose of Mesa Water's policy documents and plans, including this Policy, is to link what is to be accomplished, as set out in such policy documents and plans, with the necessary resources to successfully do so.

Mesa Water has established and will maintain the following Designated Funds and their respective accounts/sub-accounts:

- Restricted Funds – comprised of the Bond Proceeds Fund(s) and the Customer and Development Deposits
- Capital Funds – comprised of the Capital Replacement Fund
- Liquidity Funds – comprised of the Operating Fund, Rate Stabilization Fund, Administrative & General Fund and the Catastrophe Fund

A principal tenet of this Policy shall be the crediting of interest earnings to specific Designated Funds until the respective Designated Fund's designated funding level is achieved. Once the designated funding level is reached within a specific Designated Fund, the interest earnings over and above the designated funding level will be reallocated to other Designated Funds, as further set forth in the following paragraph, whose funding level is below the designated funding level as established pursuant to this Policy.

Designated Fund balances will be reviewed on an annual basis at, or near, the end of Mesa Water's established fiscal year to ensure compliance with this Policy. In the event the Liquidity Fund balance exceeds the designated funding level, monies over and above the designated funding level held therein will be transferred annually into the Capital Fund. On an as-needed basis, moneys from the Capital Fund may be transferred to pay for operating emergencies to supplement the Liquidity Fund. In addition, in the event that the Capital Fund balance exceeds the established maximum, the Board will make a determination regarding the reallocation of such funds.

The designated funding level established for each Designated Fund represents the baseline financial condition that is acceptable to Mesa Water from risk and long-range financial planning perspectives. Maintaining Designated Funds at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to: fees and charges, water usage, capital financing, investment of funds and current and projected levels of capital expenditures.

To preserve its current AAA (or equivalent) credit ratings, in each fiscal year Mesa Water will strive to target unrestricted cash and Designated Fund balances totaling 600 days of budgeted operating expenses less pass-through expenses (defined herein as Operating Expenses). Should Mesa Water determine to target a different

credit rating level, this target may be adjusted accordingly. Higher credit ratings can provide economic benefit to Mesa Water in terms of lower interest rates on the future borrowings based on broader investor base and greater demand for the Mesa Water's issued securities, resulting in lower annual debt service cost. However, should Mesa Water determine to pursue a different credit rating, it will need to carefully analyze under what circumstances and in what timeframes it will be optimal to achieve such goal.

The Board shall approve any reallocation of funds or any transfers among Designated Funds.

## **5. Mesa Water Designated Funds**

This Section further describes each of the Designated Funds (including accounts and sub-accounts therein), designated funding level(s) and related information.

### **I. RESTRICTED FUNDS**

- a. **Bond Proceeds Fund(s)** – Bond proceeds funds are monies derived from the proceeds of a securities issue. Typically they consist of construction fund monies and a debt service reserve fund (DSRF). The use of these proceeds is restricted by conditions set forth in the respective legal documents providing for the issuance of the corresponding securities. These funds are usually held by a trustee (bank) and there may be commitments of such funds in favor of the securities holders.

**Designated Funding Level** – The debt service reserve requirement is established at the time of a securities issue. This amount may be recalculated as the securities are paid down. Any excess funds and/or interest earnings over and above the specified reserve requirement are typically used to pay debt service on the corresponding outstanding securities.

**Events or Conditions Prompting the Use of the Fund(s)** – As stipulated in the respective securities issuance documents. Construction fund monies are expected to be spent on applicable projects, while DSRF can only be used in the event of a shortfall of funds available to pay debt service or to pay down principal of such securities at maturity.

**Periodic Review Dates for Balances** – Reviewed by the applicable trustee and Mesa Water staff on at least an annual basis.

- b. **Customer and Development Deposits** – Monies held on behalf of Mesa Water customers as required for their utility account(s) or as cash bonds for development projects.

**Designated Funding Level** – Customer deposits are required based upon the process outlined in the Rules and Regulations. Deposit requirements for development projects are outlined in Mesa Water's most current Miscellaneous Fees and Charges Resolution. The balance in this account will fluctuate

depending on the number of utility customer deposits required and the number of development projects in process. Therefore, no overall designated funding level(s) will be established.

Events or Conditions Prompting the Use of the Fund(s) –

1. Funds held as customer deposits are held to satisfy unpaid balances for the corresponding customer utility account as set out in the Rules and Regulations. As deposits on utility accounts are released, they will be refunded to the customer.
2. Deposits for development projects are drawn down to meet costs incurred by Mesa Water, or to satisfy unpaid balances, applicable to the corresponding development project. When development projects are complete, the project(s) will be closed and a final accounting will be completed. Remaining deposit monies, if any, will be returned to the development customer following final accounting and reconciliation.

Periodic Review Dates for Balances – Reviewed by staff on a regular basis as part of the monthly closing process.

## II. CAPITAL FUNDS

Mesa Water will strive to maintain a designated funding level of \$10.0 million in the Capital Funds. The Capital Funds will consist of the following sub-account:

- a. Capital Replacement Fund – The Capital Replacement Fund is used for the rebuilding and/or replacement of capitalized assets based around when such capital assets reach the end of their useful lives.

Designated Funding Level – Mesa Water may set aside replacement funds on a project-by-project basis. The designated funding level is equal to the \$10.0 million designated for the Capital Fund. The maximum balance in the Capital Replacement Fund shall be determined based on Mesa Water's most current Asset Management Plan.

Events or Conditions Prompting the Use of the Fund – Staff will recommend assets to be replaced during the annual budget preparation process. As projects are approved, funds will be appropriated from funds held in the Capital Replacement Fund not allocated for specific capital projects or available revenues.

Periodic Review Dates for Balances – Fund balances and projected capital projects will be reviewed by staff and the Board during the preparation and approval of the annual budget.

### III. LIQUIDITY FUNDS

Liquidity Funds will be comprised of the following sub-accounts: the Rate Stabilization Fund and the Operating Fund. The balance in the Liquidity Funds will fluctuate depending on annual Operating Expenses. The designated funding level in the Liquidity Funds will be equal to 180 days of the annual budgeted Operating Expenses.

- a. Administrative & General Fund – The Administrative & General Fund is used to fund certain major general, administration and overhead projects. It is intended to fund (or partially fund) offices, fixtures, furnishings, vehicles and equipment on a pay-as-you-go basis. The Board will appropriate funds for specific projects which can be funded on an as-needed or project-by-project basis.

#### Designated Funding Levels –

1. Target – The designated funding level in the Administrative & General Fund will be equal to 20 days of the annual budgeted Operating Expenses.
2. Maximum – The maximum funding level in the Administrative & General Fund will be equal to 25 days of the annual budgeted Operating Expenses.

Events or Conditions Prompting the Use of the Fund – Improvement projects will be identified by staff and recommended to the Board during the preparation of the annual budget. As projects are approved, funds will be appropriated from available revenues.

Periodic Review Dates for Balances – Fund balances and projected improvement projects will be reviewed by staff and the Board during the preparation and approval of the annual budget.

- b. Catastrophe Fund – The Catastrophe Fund is used to begin to rebuild, restore and/or repair Mesa Water’s infrastructure and assets after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed.

#### Designated Funding Levels –

1. Target – The designated funding level in the Catastrophe Fund will be equal to 150 days of the annual budgeted Operating Expenses.
2. Maximum – The maximum funding level in the Catastrophe Fund will be equal to 180 days of the annual budgeted Operating Expenses.

Events or Conditions Prompting the Use of the Fund – The Board may designate use of this fund after establishing that conditions exist as called out in the definition and purpose of the fund.

Periodic Review Dates for Balances – Fund balances and designated and maximum funding level will be reviewed by staff and the Board during the preparation and approval of the annual budget.

- c. Rate Stabilization Fund – This fund is established to provide flexibility to the Board when setting rates to allow for absorbing temporary rate fluctuations or for one-time expenditures.

Designated Funding Levels –

1. Target – The designated funding level in the Rate Stabilization Fund will be equal to 60 days of the annual budgeted Operating Expenses.
2. Maximum – The maximum funding level in the Rate Stabilization Fund will be equal to 75 days of the annual budgeted Operating Expenses.

Events or Conditions Prompting the Use of the Fund – This fund is intended to be used to defray any temporary unforeseen and extraordinary increases in the cost of water supply. The Board, on a case by case basis, will determine the amount and timing for any use of this fund.

Periodic Review Dates for Balances – Fund balances will be reviewed by staff and the Board during the preparation and approval of the annual budget.

- d. Operating Fund – The Operating Fund is used for unanticipated Mesa Water operating expenses. This fund is designated by the Board to maintain working capital for current operations and to meet routine cash flow needs.

Designated Funding Levels –

1. Target – The designated funding level in the Operating Fund will be equal to 120 days of the annual budgeted Operating Expenses.
2. Maximum – The maximum funding level in the Operating Fund will be equal to 150 days of the annual budgeted Operating Expenses.

Events or Conditions Prompting the Use of the Fund – Upon Board authorization, this fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses and extraordinary decreases in revenues and unexpected increases in expenses.



Periodic Review Dates for Balances – Fund balances and designated funding level will be reviewed by staff and the Board during the preparation and approval of the annual budget.

## **6. Investment Guidelines**

It has been Mesa Water's practice to rely primarily on a pay-as-you-go (pay-go) strategy to fund capital improvements and replacement of existing assets. However, maintaining a balance between debt and pay-go sources may provide an added benefit to Mesa Water in terms of allowing for a more optimal investment strategy. In the context of these policies and in circumstances where such balance is present, the investment portfolio can be separated into short and long portfolios to maximize investment returns.

Funds held in the Designated Funds are subject to Mesa Water's Investment Policies and delegation(s) of investment authority as adopted by the Board and as amended from time to time.

## **7. Delegation of Authority**

The Board has sole authority to amend or revise this Designated Funds Policy. Through adoption of this Policy, the Board has established written procedures for staff to follow in the management of Mesa Water's Designated Funds.

**RESOLUTION NO. ~~1443~~XXXX**

**RESOLUTION OF THE  
MESA WATER DISTRICT BOARD OF DIRECTORS  
REVISING ~~ADOPTING A THE~~ DESIGNATED FUNDS POLICY  
SUPERSEDING RESOLUTION NO. 1443**

WHEREAS, the Mesa Water District (Mesa Water® or District) is a county water district organized and operating pursuant to the provisions of the laws of the according to State of California (State or California) Law; and

WHEREAS, the Board of Directors (Board) of the Mesa Water District ~~had~~ previously adopted Resolution No. ~~1387-1443~~ adopting Mesa Water's Designated Funds Policy Financial Policies and Guidelines for Establishing Rates, which included a designated funds policy which included designated funds; and

WHEREAS, the Board desires to adopt a revised and updated specific policy statement, and policies and procedures regarding Mesa Water's designated funds as part of policies and procedures affecting relative to Mesa Water the District's funds and finances.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

**Section 1.** This Resolution shall supersede ~~replaces the designated funds portion(s) of Resolution No. 1387-1443 - Financial Policies and Guidelines for Establishing Rates~~ Adopting a Designated Funds Policy and revises the ~~adopts a~~ specific policy statement, policies and procedures regarding designated funds as set forth in Exhibit Appendix A and Attachment A, attached hereto and incorporated herein by this reference (collectively, the Designated Funds Policy).

**Section 2.** This Resolution, and the Designated Funds Policy adopted hereby, shall be reviewed by the Finance Committee at least once every five years to, among other considerations, determine if the policies, ~~and~~ guidelines and procedures are still relevant and appropriate.

**Section 3.** The revised Designated Funds Policy ~~of the Mesa Water District Board of Directors,~~ as set forth in Attachment A, is shall be adopted effective upon approval of this ~~r~~Resolution.

~~PASSED AND ADOPTED, SIGNED, AND APPROVED~~ this ~~15~~<sup>12</sup>~~th~~ day of March ~~2014~~<sup>2020</sup>~~, and adopted~~ by the following roll call vote:

AYES: DIRECTORS: ~~Atkinson, Bockmiller, Temianka, Dewane, Fisler~~  
NOES: DIRECTORS:  
ABSENT: DIRECTORS:  
ABSTAIN: DIRECTORS:

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~~James R. Fisler~~Shawn Dewane  
President, Board of Directors

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~~Coleen L. Monteleone~~Denise Garcia

District Secretary

## EXHIBIT APPENDIX A

### RESOLUTION NO. 1443XXXX

#### RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS ADOPTING REVISING A THE DESIGNATED FUNDS POLICY

#### SUPERSEDING RESOLUTION NO. 1443

#### 1. MESA WATER SHALL CONTINUE THE GOAL OF MAINTAINING FINANCIAL STABILITY OVER TIME

Mesa Water District (Mesa Water® or District) has adopted a goal of ~~should strive to~~ maintain~~ing~~ financial stability over time. Financial stability is not only a prudent management goal; it can also minimize financial costs in the long-term (e.g., securing low interest costs on borrowings and avoiding unnecessary borrowing). Above all, financial stability will provide the community with the confidence of knowing a strong, consistent team is managing the utility.

Financial policies and measures will be developed to measure, manage, ~~and~~ achieve and maintain financial stability.

##### 1.1 DESIGNATED FUNDS

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Mesa Water will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. Designated Funds (as ~~defined in Attachment A) (Funds)~~ will be accumulated and maintained to allow Mesa Water to fund expenditures in a manner consistent with Mesa Water the District's Water System Master Plan, and avoid significant rate fluctuations due to changes in cash flow requirements.

The Board of Directors (Board) may designate specific fund accounts and maintain target fund balances consistent with statutory obligations that the Board ~~it~~ has determined to be in the best interests of Mesa Water. The Designated Funds Policy directives are intended to ensure Mesa Water has, and will have, sufficient Funds financial resources and Designated Funds to meet current and future needs. The Board will review the level of Designated Funds on a periodic basis as set out in the Designated Funds Policy.

## 1.2 DESIGNATED FUNDS TARGET

1.2.1 Mesa Water will maintain sufficient reserves, and of such a nature, that it strives to target designated fund balances totaling 600 days of budgeted operating expenses as defined by the Designated Funds Policy~~policy~~.

## 1.3 CASH FLOW

1.3.1 At the end of a fiscal year, Mesa Water should strive to have total revenues, less operation and maintenance expenses, debt service and capital projects funded from rates, greater than or equal to zero.

## 1.4 TARGET DEBT SERVICE COVERAGE:

1.4.1 Mesa Water will strive to maintain an actual debt service coverage ratio of 1.30 on all outstanding debt service. (Industry norm for revenue bond coverage ratio covenants is 1.25. Mesa Water's certificates of participation covenant coverage ratios of 1.15).

1.4.2 The debt service coverage ratio will be calculated at fiscal year-end and reviewed by Mesa Water's independent external ~~the outside~~ auditor. The calculation and the auditor's opinion will be included in Mesa Water's Comprehensive Annual Financial Report.

1.4.3 Mesa Water's annual budget will be prepared so as to have an annual debt service coverage ratio greater than or equal to 1.50 on all outstanding debt that includes ~~carries~~ a legal contractual coverage ratio bond covenant.

1.4.4 The Board will review Mesa Water's projected debt service coverage ratio prior to the adoption of each ~~the~~ annual budget.

**ATTACHMENT A**

**RESOLUTION NO. ~~1443~~XXXX**

**RESOLUTION OF THE  
MESA WATER DISTRICT BOARD OF DIRECTORS  
~~ADOPTING A~~ REVISING THE DESIGNATED FUNDS POLICY  
SUPERSEDING RESOLUTION NO. 1443**

**Mesa Water District's  
Designated Funds Policy**

March ~~2014~~2020

**DRAFT**



**MesaWater**  
DISTRICT

**DESIGNATED FUNDS POLICY**

March 20142020

## 1. Policy Statement

The principal purpose of this Policy is to provide a written statement of the Board of Directors (Board) as to Mesa Water District's (Mesa Water® or District) Designated Funds including, but not limited to, their designation, purpose(s), designated funding levels, usage and procedures related thereto.

A key element of prudent financial planning for public agencies is to ensure that sufficient funding is available for current and on-going operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood possibility of, and preparing for, unforeseen events which result in fiscal consequences.

~~Mesa Water District (Mesa Water)~~ will at all times strive to have retain the goal of having sufficient funding available to meet its on-going operating, capital, and debt service financial obligations. Designated ~~Funds (Funds)~~ will be accumulated ~~and held~~, maintained and monitored pursuant to this Policy to allow Mesa Water to fund expenditures fully meet expenditure requirements and obligations in a manner consistent with ~~Mesa Water's~~ Water System Master Plan, and avoid significant rate fluctuations due to changes in revenue receipts and cash flow requirements.

The ~~Board of Directors (Board)~~ may designate specific fund-funds/accounts and maintain target designated fund balances for the Designated Funds consistent with applicable statutory ~~obligations provisions, and levels~~ that ~~the Board~~ has determined to be in the best interest interests of Mesa Water.

The ~~Policy~~ directives outlined in this ~~document~~ Policy are intended to help ensure that Mesa Water has, and will have, sufficient funds to meet current and future fiscal needs, requirements and/or obligations. The Board will review the level of designated funding levels of the various Designated Funds on a periodic basis.

## 2. Definitions

Unless otherwise defined herein, or unless the context requires otherwise, the following terms shall have the following meaning(s) for purposes of this Policy:

- Board – means the Board of Directors of Mesa Water District.
- Designated Funds – means those funds, accounts and/or sub-accounts created or held on behalf of Mesa Water which are subject to this Policy and are further set out in Sections 3 and 5 hereof.
- Designated Funds Policy or Policy – shall mean this Mesa Water District Designated Funds Policy as adopted and as amended from time to time.
- Mesa Water or District – means Mesa Water District, a county water district organized and operating pursuant to State law.



- Rules and Regulations – means the Rules and Regulations for Water Service as adopted by the Board and as amended from time to time.
- State – means the State of California.

Capitalized terms used herein and not otherwise defined shall have the meaning(s) ascribed thereto in the Rules and Regulations.

### 3. Types of Designated Funds

There ~~are~~ shall be three types of ~~Funds~~ Designated Funds, which are defined and described below:

- I. RESTRICTED FUNDS: Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, and/or regulations governing use.
- II. CAPITAL FUNDS: Established by action of the Board and designated for specific purposes. ~~This fund is~~ These funds are utilized primarily to fund capital and asset replacement costs.
- III. LIQUIDITY FUNDS: Established by action of the Board to safeguard the financial viability and stability of Mesa Water and ~~is,~~ absent specific directives of the Board, shall be funded from accumulated revenues.

#### 3.4. General Provisions

Mesa Water will maintain its ~~liquidity~~ Liquidity and ~~capital funds~~ Capital Funds in designated ~~sub-funds or~~ accounts in a manner that ensures its financial soundness and provides transparency to its customers. The targeted level(s) of Fund balances are considered the minimum necessary to maintain the District's credit worthiness and adequately provide for:

- Compliance with applicable statutory requirements;
- Financing of future capital facilities and repair and replacement of existing capital assets;
- Cash flow requirements;
- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy; and/or
- Contingencies or unforeseen operating or capital needs.

In the context of funding future capital facilities and maintaining and replacing existing capital assets, in each instance, Mesa Water will analyze the benefits and tradeoffs of utilizing pay-as-you-go funding and/or debt financing and determine the optimal

funding strategy or combination of funding strategies. The analysis should consider Mesa Water's current and projected liquidity and capital positions, as well as the impact of projected inflation, the cost(s) of water, and other factors on the operations of ~~Mesa Water~~the District and its capital improvement and replacement program.

Through a variety of policy documents and plans, including, but not limited to, Mesa Water's Asset Management Plan, Capital Improvement Plan, Water System Master Plan, and Strategic Plan, the Board has set forth a number of long-term goals for ~~Mesa Water~~the District. A fundamental purpose of Mesa Water's policy documents and plans, including this Policy, is to link what mustis to be accomplished, as set out in such policy documents and plans, with the necessary resources to successfully do so.

Mesa Water has established and will maintain the following primaryDesignated Funds and their respective accounts/sub-accounts:

- Restricted Funds – comprised of the Bond Proceeds Fund(s) and the Customer and Development Deposits
- Capital Funds – comprised of the Capital Replacement Fund
- Liquidity Funds – comprised of the Operating Fund, Rate Stabilization Fund, Administrative & General Fund, and the Catastrophe Fund

A principal tenet of ~~Mesa Water's Designated Fund~~this Policy shall be the crediting of interest ~~income~~earnings to specific ~~designated funds~~Designated Funds until the respective Designated Fund's designated ~~fund's maximum~~funding level is achieved. Once the ~~maximum balance~~designated funding level is reached within a specific ~~designated fund~~Designated Fund, the ~~surplus~~interest earnings over and above the designated funding level will be reallocated to other ~~designated funds~~Designated Funds, as further set forth in the following paragraph, whose funding level is below the ~~targeted or maximum requirement recommended by this policy~~designated funding level as established pursuant to this Policy.

Designated Fund balances will be reviewed on an annual basis at, or near, the end of ~~the~~Mesa Water's established fiscal year to ensure compliance with this Policy. In the event the Liquidity Fund balance exceeds the ~~established maximum, excess monies~~designated funding level, monies over and above the designated funding level held therein will be transferred annually into the Capital Fund. On an as-needed basis, moneys from the Capital Fund ~~can~~may be ~~moved~~transferred to pay for operating emergencies to supplement the Liquidity Fund. In addition, in the event that the Capital Fund balance exceeds the established maximum, the Board will make a determination regarding the reallocation of ~~excess monies~~such funds.

The ~~targeted~~designated funding level established for each Designated Fund represents the baseline financial condition that is acceptable to Mesa Water from risk and long-range financial planning perspectives. Maintaining Designated Funds at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include, but are not

limited to: fees and charges, water usage, capital financing, investment of funds, and current and projected levels of capital expenditures.

To preserve its current AAA (or equivalent) credit ratings, in ~~every~~each fiscal year Mesa Water will strive to target unrestricted cash and ~~designated fund~~Designated Fund balances totaling 600 days of budgeted operating expenses less pass-through expenses (defined herein as “Operating Expenses”). Should Mesa Water determine to target a different credit rating level, this target ~~will~~may be adjusted accordingly. Higher credit ratings ~~have provided~~can provide economic benefit to Mesa Water in terms of lower interest rates on the future borrowings ~~and~~based on broader investor base and greater demand for the Mesa Water’s ~~bonds~~issued securities, resulting in lower annual debt service cost. However, should Mesa Water ~~decided~~determine to pursue a different credit rating, it will need to ~~analyze~~carefully analyze under what circumstances and in what timeframes it will be optimal to achieve ~~the~~such goal.

The Board shall approve any reallocation of funds or any transfers among Designated Funds.

#### **4.5. Mesa Water District Designated Funds**

This Section further describes each of the Designated Funds (including accounts and sub-accounts therein), designated funding level(s) and related information.

##### **I. RESTRICTED FUNDS**

- a. Bond Proceeds Fund(s) – Bond proceeds funds are monies derived from the proceeds of a ~~bond~~securities issue. Typically they consist of construction fund monies, and a debt service reserve fund (DSRF). The use of these proceeds is restricted by conditions set forth in the respective legal ~~bond~~documents providing for the issuance of the corresponding securities. These funds are usually held by ~~the Trustee~~a trustee (bank) and there may be commitments of such funds in favor of the ~~bond~~securities holders.

Target Designated Funding Level – The debt service reserve requirement is established at the time of ~~the bond~~a securities issue. This amount may be recalculated as the ~~bonds~~securities are paid down. Any excess ~~principal~~funds and/or interest earnings ~~can be over and above the specified reserve requirement~~are typically used to pay debt service on the ~~bonds~~corresponding outstanding securities.

Events or Conditions Prompting the Use of the Fund(s) – As stipulated in the respective ~~bond~~securities issuance documents. Construction fund monies are expected to be spent on applicable projects, while DSRF can only be used in

the event of a shortfall in revenues of funds available to pay debt service or to pay down principal of such securities at maturity.

Periodic Review Dates for Balances – Reviewed by the Trustee applicable trustee and Mesa Water staff on at least an annual basis.

- b. Customer and Development Deposits – Monies held on behalf of Mesa Water customers as required for their utility account(s) or as cash bonds for development projects.

Target Designated Funding Level – Customer deposits are required are based upon the process outlined in Mesa Water's the Rules and Regulations for Water Service. Deposit requirements for development projects are outlined in Mesa Water's most current Miscellaneous Fees and Charges Resolution. The balance in this account will fluctuate depending on the number of utility customer deposits required and the number of development projects in process. Therefore, no target or maximum level overall designated funding level(s) will be established.

Events or Conditions Prompting the Use of the Fund(s) –

1. Funds held as customer deposits are held to satisfy unpaid balances for the corresponding customer utility account as set out in the Rules and Regulations. As deposits on utility accounts are released, they will be refunded to the customer.
2. Deposits for development projects are drawn down to meet costs incurred by Mesa Water, or to satisfy unpaid balances, applicable to the corresponding development project. When development projects are complete, the projects project(s) will be closed and a final accounting will be completed. Excess Remaining deposit monies, if any, will be returned to the development customer following final accounting and reconciliation.

Periodic Review Dates for Balances – Reviewed by staff on a regular basis as part of the monthly closing process.

## II. CAPITAL FUNDS

Mesa Water will strive to maintain a target balance designated funding level of \$10.0 million in the Capital Funds. The Capital Funds will consist of the following sub-account:

- a. Capital Replacement Fund – The Capital Replacement Fund is used for the rebuilding and/or replacement of capitalized assets based around when they such capital assets reach the end of their useful lives.

Target Designated Funding Level – Mesa Water may set aside replacement funds on a project-by-project basis. The target designated funding level should be equal to the \$10.0 million required designated for the Capital Fund. The

maximum balance in the Capital Replacement Fund shall be determined based on Mesa Water's most current Asset Management Plan.

Events or Conditions Prompting the Use of the Fund – Staff will recommend assets to be replaced during the annual budget preparation process. As projects are approved, funds will be appropriated from undesignated funds held in the Capital Replacement Fund not allocated for specific capital projects or available revenues.

Periodic Review Dates for Balances – Fund balances and projected improvement capital projects will be reviewed by staff and the Board during the preparation and approval of the annual budget.

### III. LIQUIDITY FUNDS

Liquidity Funds will be comprised of the following sub-accounts: the Rate Stabilization Fund and the Operating Fund. The balance in the Liquidity Funds will fluctuate depending on ~~the~~ annual Operating Expenses. The maximum balance designated funding level in the Liquidity Funds will be equal to 180 days of the annual budgeted Operating Expenses.

- a. Administrative & General Fund – The Administrative & General Fund is used to fund certain major general, administration and overhead projects. It is intended to fund (or partially fund) offices, fixtures, furnishings, vehicles and equipment on a pay-as-you-go basis. The Board will appropriate funds for specific projects which can be funded on an as-needed or project-by-project basis.

#### Designated Funding Levels –:

1. Target – The target balance designated funding level in the Administrative & General Fund will be equal to 20 days of the annual budgeted Operating Expenses.
2. Maximum – The maximum balance funding level in the Administrative & General Fund will be equal to 25 days of the annual budgeted Operating Expenses.

Events or Conditions Prompting the Use of the Fund – Improvement projects will be identified by staff and recommended to the Board during the preparation of the annual budget. As projects are approved, funds will be appropriated from available revenues.

Periodic Review Dates for Balances – Fund balances and projected improvement projects will be reviewed by staff and the Board during the preparation and approval of the annual budget.

- b. Catastrophe Fund –: The Catastrophe Fund is used to begin ~~repair of the water system~~ to rebuild, restore and/or repair Mesa Water’s infrastructure and assets after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed.

Designated Funding Levels –:

1. Target – The ~~target balance~~ designated funding level in the Catastrophe Fund will be equal to 150 days of the annual budgeted Operating Expenses.
2. Maximum – The maximum ~~balance~~ funding level in the Catastrophe Fund will be equal to 180 days of the annual budgeted Operating Expenses.

Events or Conditions Prompting the Use of the Fund – The Board may designate use of this fund after establishing that conditions exist as called out in the definition and purpose of the fund.

Periodic Review Dates for Balances – Fund balances and ~~target~~ designated and maximum funding level will be reviewed by staff and the Board during the preparation and approval of the annual budget.

- c. Rate Stabilization Fund –: This fund is established to provide flexibility to the Board when setting rates to allow for absorbing temporary rate fluctuations or for one-time expenditures.

Designated Funding Levels –:

1. Target – The ~~target balance~~ designated funding level in the Rate Stabilization Fund will be equal to 60 days of the annual budgeted Operating Expenses.
2. Maximum – The maximum ~~balance~~ funding level in the Rate Stabilization Fund will be equal to 75 days of the annual budgeted Operating Expenses.

Events or Conditions Prompting the Use of the Fund – This fund is intended to be used to defray any temporary unforeseen and extraordinary increases in the cost of water supply. The Board, on a case by case basis, will determine the amount and timing for any use of ~~the~~ this fund.

Periodic Review Dates for Balances – Fund balances will be reviewed by staff and the Board during the preparation and approval of the annual budget.

- d. Operating Fund –: The Operating Fund is used for unanticipated Operating Expenses. Mesa Water operating expenses. This fund is designated by the Board to maintain working capital for current operations and to meet routine cash flow needs.

Designated Funding Levels –:



1. Target – The ~~target balance~~designated funding level in the Operating Fund will be equal to 120 days of the annual budgeted Operating Expenses.
2. Maximum – The maximum ~~balance~~funding level in the Operating Fund will be equal to 150 days of the annual budgeted Operating Expenses.

Events or Conditions Prompting the Use of the Fund – Upon Board authorization, this fund may be routinely utilized by staff to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses and extraordinary decreases in revenues and unexpected increases in expenses.

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Periodic Review Dates for Balances – Fund balances and ~~target~~designated funding level will be reviewed by staff and the Board during the preparation and approval of the annual budget.

#### **5.6. Investment Guidelines**

It has been ~~the~~ Mesa Water's practice to rely primarily on a pay-as-you-go (pay-go) strategy to fund capital improvements and replacement of existing assets. However, maintaining a balance between debt and pay-go sources may provide an added benefit to Mesa Water in terms of allowing for a more optimal investment strategy. In the context of these policies and in circumstances where such balance is present, the investment portfolio can be separated into short and long portfolios to maximize investment returns.

Funds held in the Designated Funds are subject to Mesa Water's Investment Policies and delegation(s) of investment authority as adopted by the Board and as amended from time to time.

#### **6.7. Delegation of Authority**

The Board has sole authority to amend or revise ~~the~~this Designated Funds Policy. Through ~~approval~~adoption of this Policy, the Board has established written procedures for staff to follow in the management of Mesa Water's Designated Funds.



**REPORTS:**

7. REPORT OF THE GENERAL MANAGER

**REPORTS:**

8. DIRECTORS' REPORTS AND COMMENTS